Scott. II-27—50,000—27-10-41.

Agri M

Dev (1943) Department.

MS SERIES.

E //

G.O. No. 4-1 (M)

Dated 1.8-V-1—1943.

[Despatch Abstract.]

Acts & Rules - Sugarcane Act - Notfn/ct
controlled area - fixation of price of sugarcane
1942-43 reasons - Notification - issued.

Office of the Director of Agriculture,
Lawley Road P.O., Dated 5th October 1942.

TELEPHONIC MESSAGE BY POST.

Dir. 2450 A

From The Director of Agriculture, Lawley Road P.O.
To The Assistant Secretary to Government, Development Department.

Sub: Sugarcane Act - Hospet taluk - Fixation of price of Sugarcane 1942-43 season.

Ref: G.O.No. Ms.2014, Development, dated 3-11-1941.

Please let me know whether Government propose to issue notifications fixing the minimum price of sugarcane in the Hospet taluk during the crushing season 1942-43.

for DIRECTOR OF AGRICULTURE.

S.G.5-10-P.

Dev. Dept 3

Memo. No. 24450 A/42-1 dt 13-10-42

Subject:- Acts & Rules - Sugarcane Act - Hospet Controlled area - Bellary district - Fixation of minimum price of sugarcane for 1942-43 season.

Reference:- P.C.J. t.m. from the DA, dt 5-10-1942.

The D.A. & D.G. &c. are requested to report not later than 1-11-1942 whether in view of the controlled price of sugar and the prevailing enhanced price of jaggery, it is necessary to fix the ~~for~~ minimum price of sugarcane supplied to factories in the Hospet Controlled area of the Bellary district for the ~~for~~ 1942-43 season.

To the D.A. ✓
To the D.G.&C. ✓

Dept as per rules

DA
10/10/42

C.F. 32.

In reply, please quote number, date and short title.

Agricultural DEPARTMENT.

Received 31 OCT 1942 Registered

26511

From (Name) P.H. Rama Reddi Esq., I.A.S.,

(Designation) Director of Agriculture,

Post Box ....., (Station) Madras.

Telegraphic Address.....

To

The Secretary to Government,
Development Department.

C.2. *No.* 1362/42, *dated* 28th October 1942.

Sir,

Sub: Sugarcane Act - Hospet - Controlled area - Bellary District - Fixation of minimum price of sugarcane for 1942-43 season.

Ref: Government Memorandum No.24450-A/42-2 dated 13-10-

Enclosures 1 P 3 1 Power

Spare Copies .....

I have the honour to state that notwithstanding the controlled price of sugar and the prevailing high price of jaggery it is still necessary to fix the minimum price of sugarcane supplied to the factory in the Hospet controll area of the Bellary District for the 1942-43 season as in past seasons.

2. Most of the cultivators at Hospet are so helple in the hands of the Managing Agent of the India Sugars and Refineries Ltd., that Government intervention is necessary. At Hospet sugarcane is grown mostly by the tenant cultivato who have no means to convert all their cane into jaggery, and are obliged to sell a portion of their cane crop to the factory regardless of the price it will fetch. Moreover, some of the cultivators have borrowed fairly large sums of money from the Managing Agent and are at his mercy since he could dictate his price for the cane on the threat of going to the Court for the recovery of his monies. If these people give in, as they are likely to give in, others will obliged to accept the same rates. The fixing of minimum price is therefore necessary under any circumstances so far as this factory is concerned till at least the management of the factory changes hands.

3. In fixing minimum price, due consideration may be paid to --

(a) the accepted principle that slightly more than one half of the price of sugar recovered should represent the cost of cane;

(b) the present high price of jaggery;

(c) the profitability of growing food crops, like paddy which come in rotation with sugarcane;

and (d) the increased cost of production of cane due to the rise in prices of manures, implements, labour, maintenance of cattle etc.

I have the honour to be,
Sir,
Your most obedient servant,

DIRECTOR OF AGRICULTURE.

29/10

(15) 26531

No.4717-A/42. Office of the Director of Industries and Commerce,
Madras, dated 29th October 1942.

UNDER SECRETARY 31 OCT 1942 DEVELOPMENT DEPARTMENT

From

P.Madhava Menon Esq., M.B.E., I.C.S.,
Director of Industries and Commerce,
Madras.

ASSTT. SECRETARY TO GOVERNMENT 1-NOV 1942 DEVELOPMENT DEPARTMENT

To

The Secretary to Government,
Development Department,
Madras.

Sir,

Subject: Acts and Rules - Sugarcane Act - Hospet - Controlled area - Bellary district - Fixation of minimum price of sugarcane for 1942-43 season.

Reference: Government Memorandum No.24450-A/42-1 dated 13th October 1942.

The Hospet area was presumably singled out in the previous years for purposes of the Sugarcane Act of 1934, due to some special circumstances which obtained in that area. The question whether it is necessary to fix minimum prices for cane supplied to factories in this area for the 1942-43 season, will largely depend on how far the circumstances, which in the previous years were found to be peculiar to this area, have ceased to operate in the present conditions. If the reason for declaring the Hospet area a controlled area was that the ryots in that area were not securing a fair price for their cane, it will have to be considered whether they are now in a stronger bargaining position. It may be argued that the sugarcane grower does not depend just at present on the factory to the same extent that he did before, as the alternative course of manufacture of jaggery will be as attractive, if not more, due to the high level of prices prevailing for jaggery. But this situation may not continue long. The Sugar Controller has stated recently that in 1942-43, there will be sugar production sufficient to meet all normal internal requirements and that there will be a surplus for export. If that be so, the situation in regard to sugar in 1942-43 cannot be as acute as it now is, provided the transport problem does not become worse. If sufficient stocks of sugar come into the market the demand for jaggery which had increased during this year will decline to its normal level. Recently the Sugar Controller expressed the view that the present high price for jaggery is a purely temporary phenomenon which may be expected to end in a month or two. He also stated recently that during the next three or four weeks a situation would be reached in Madras in which merchants would even be compelled to say "hold off further stocks so that prices may be kept up". If therefore a situation of plenty develops as far as sugar is concerned, the sugarcane grower may not find the manufacture of jaggery a more profitable business than supplying cane to the sugar factory. The sugarcane grower in the Hospet area may in that ~~count~~ event find himself in the same relation to the factory as in previous years. It therefore seems necessary to fix a minimum price for sugarcane for supplying to the factory in 1942-43 season as in the previous years.

2. If, however, the expected plenty is not realised in the sugar market, the fixation of minimum prices can have no adverse effect. If the stocks of sugar diminish and sugar prices are fixed the ryot will take to the manufacture of jaggery if he finds it more profitable and the factory will be free to offer him higher prices for supplying cane for the manufacture

of sugar if it so desires. The fixation of minimum prices need not prevent the management from doing so. The fixation of minimum prices, whilst guaranteeing a minimum price to the ryot in the event of sugar prices being easy, will not prevent supplies of cane to the industry at higher prices if stocks become scarce and sugar prices remain controlled. It will leave the ryot free to adopt whichever course is profitable to him.

30/10/42

Director of Industries and Commerce.

G.M.

By Urgent

Dev. Dept.

Memo. No. 24650 A/42-2 dt. 5.11.1942

Subject:- Acts & Rules- Sugarcane Act. Hospet Controlled area - (Bellary District) Fixation of minimum prices for 1942-43 season.

References:- Letter from the D.A., C.2 No. 1362/42 dt. 28.10.1942
Letter from the D.I. & C., No. 4917-A/42 dt. 29-10-1942

The D.A. and D.I. & C. have agreed that it is necessary to fix minimum prices for sugarcane in the Hospet controlled area of the Bellary district for the 1942-43 season. But they have not suggested the prices to be fixed. The D.A. is now requested to submit, in consultation with the D.I. & C., proposals for fixing the prices. A reply should be sent not later than 15-11-1942

4/11/42

To the D.A.

Copy to the D.I. & C.

Despatched 5-11-42

9

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

27659

XX...TL... NEW DELHI 13 STE 53 . DEPUTY STONEHOUSE HILL

MEMORANDUM NO 24450-1/42/2 DATED FIFTH NOVEMBER HOSPET CONTROLLED AREA MINIMUM PRICE FIXATION SUGAR CANE CONSIDERING HIGH PADDY PRICES SUGARCANE RUPEES TEN PER TON WHEN SUGAR SELLS RUPEES TWO HUNDRED AND SIXTY RISING AT NINE POINT SIX PIES FOR EVERY RUPEE INCREASE IN SUGAR PRICE RECOMMENDED . AGRICULTURE

MSS 2 6/25

CAP

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any) and number of words.

This form must accompany any enquiry respecting this telegram.

MGIFPAn.—1971—16-9-41—10,000.

NB 13/11/42
welfare.

DS Cal
13/11/42

11

UNDER SECRETARY
13 NOV 1942
DEVELOPMENT

1231 27661

C.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

1231

NOTICE.

This form must accompany any inquiry made respecting this Telegram.

Charges to pay
Rs. As

12 NOV 42

Handed in at (Office of Origin) | Date. | Hour. | Minute. | Service Instructions

Hospet 12 | 12 | 17 | 35 | Urgent adds 10

Reed here 18 11 42

TO Adviser Development
Govt Mys

clear copy at p28
Bangalore

Beam sugar factory commenced cane crushing November and drafted 134 cl fraction until

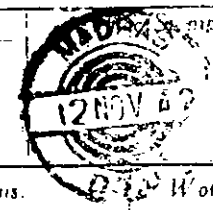
N.B.—The name of the Sender, if telegraphed, is written after the text.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

NOTICE.

This form must accompany any inquiry made respecting this Telegram.

Charges to pay
Rs. | As



Handed in at (Office of Origin)	*Date.*	*Hour.*	*Minute.*	*Service Instructions.*	*Words.*

Recd here at H M

TO

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(P-41)—9-6-41—10,000 Bks

15

C.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

NOTICE.

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Office Stamp.

MADRAS 12 NOV 42

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				Recd here at H. M	

TO

(3)

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17

C.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

NOTICE.

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TO

Recd here at H M

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19

C.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

NOTICE.

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Rs.	As.

12 NOV. 42

Handed in at (Office of Origin)	*Date.*	*Hour.*	*Minute.*	*Service Instructions.*	*Words.*
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TO

Recd here at H M

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C.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

NOTICE.

This form must accompany any inquiry made respecting this Telegram.

Charges to pay. Rs. As.

Office Stamp. 12 NOV.

Handed in at (Office of Origin)	Date	Hour.	Minute.	Service Instructions.	Words.

TO

Recd here at H. M

N.B.—The name of the Sender, if telegraphed, is written after the text.

den Press, Calcutta—65 (B-41)—9-6-41—100,000 Bks

C.F. 32 (a).

(2)

Department

From (Name) P. Madhava Menon Esq., M.B.E., I.C.S.,

Designation Director of Industries and Commerce,

Station Chepauk, Madras.

Received ..... Registered 27754 21

To SECRETARY

The Director of Agriculture, Madras.

15 NOV 1942

DEVELOPMENT DEPARTMENT

GOVT. KERALIA Fr. Enclosures

17 NOV 1942

DEVELOPMENT DEPARTMENT

No. 4030-A/42 dated 13th November 1942.

Sir,

Subject:- Acts and Rules - Sugarcane Act - Hospet Controlled area - Fixation of minimum price for sugarcane for 1942---43 - Season.

Reference:- Government Memorandum No.24450-A/42-2, dated the 5th November 1942.

The price for sugarcane in the Hospet area for 1942-43 may be determined on the same lines as provided in the Schedule annexed to G.O.No.Ms.2014, Development, dated the 3rd November 1941. If the price of sugar remains controlled at the present level, the corresponding price for sugarcane according to this schedule will be about Rs.12-4-0 per ton. It is not known how long the control order will be in force and whether the control level of price will be altered during the current season. It is however, not likely that the price of sugar will be altered to such an extent that the corresponding price of sugarcane will be less than Rs.11/- per ton. To enable the ryots to realise a greater

proportion of the price of cane payable to them, so as to relieve them to some extent of the hardship caused by deferred payments, it may be advisable to raise the basic minimum price of cane to Rs.9/- per ton. By this means, the ryots would realise nearly 75 per cent of the value of the cane on its delivery at the factory.

14/11/42

Director of Industries & Commerce.

Copy submitted to the Secretary to Government, Development Department.

27873 23

C.F. 32.

AGRICULTURAL DEPARTMENT.

In reply, please quote number, date and short title.

Received *Registered*

ASSISTANT SECRETARY TO GOVERNMENT
18 NOV 1942
DEVELOPMENT DEPARTMENT

From (Name) P.H.RAMA REDDI ESQ., I.A.S.,

(Designation) Director of Agriculture, Madras.

Post Box 412, (Station) Triplicane.
Camp: NEW DELHI.

Telegraphic Address 'AGRICULTURE'

To

The Secretary to Government,
Development Department,
Stonehouse Hill, The Nilgiris.

No. C.2.1362/42 *dated* 13th Nov. 1942.

Sir,

Acts and Rules - Sugarcane Act - Hospet controlled area (Bellary district) - Fixation of minimum price for 1942-43 season.
Government Memorandum No.24450 A/42-2 dated the 5th November 1942.

I have sent the following telegram to-day.

"CONSIDERING HIGH PADDY PRICES SUGARCANE

ENCLOSURES

SPARE COPIES

RUPEES TEN PER TON WHEN SUGAR SELLS RUPEES TWO HUNDRED AND SIXTY RISING AT NINE POINT SIX PIES FOR EVERY RUPEE INCREASE IN SUGAR PRICE RECOMMENDED."

I have the honour to be,
S i r,
Your most obedient servant,

DIRECTOR OF AGRICULTURE.

S.L.**

From

J.Chendrappa, 27953

President, Ryot Association, Kamalapur, Hospet Tq.,

To

H. M. Hood., I. C. S.,

2nd Advisor to the Govt. Madras, Madras.

Honoured Sir, -

Herewith enclosing the proceedings of the Meeting of the Ryot Association of our Firka Kamalapur, Hospet Taluk for your perusal and kind consideration, I humbly request that Notification fixing the Minimum prices of Sugarcane in the Hospet controlled area be released immediately, as the sugarcane crushing season has commenced and as a good number of country mills are already working.

I further request that the management of the Sugar Factory be instructed to pay the cane value yet due to the ryots as per the orders dated 31-8-'42 of the Director of Industries & Commerce without further delay.

Kamalapur
Dt 12.11.42.

I beg to remain,
Honoured Sir,
Yours most obediently,

J. Chandrappa
PRESIDENT.

---------- 12/11/42

Proceedings of the Meeting of the Ryot Association of Kamalapur.

The sugarcane growers of Kamalapur, Kaderampur, Venkatapur, Nimbapur and Hampi held a meeting on 12-10-'42 at the Local Fund Choultry under the presidency of Sri.J.Chendrappa and passed the following resolutions.

Resolutions.

1. While requesting the Government to continue keeping Sugarcane Act in force, bringing Hospet under controlled area the ryots humbly pray that Notification, fixing the Minimum price for sugarcane be immediately released.

2. In the opinion of the Ryots the basic minimum price of Rs.8/- per ton of cane and the scale adopted by the Govt. during the previous year is very unsatisfactory and disappointing. They request the Govt. to consider favourably now at least and do sheer justice in the matter.

3. Inview of the cost of cane cultivation especially this year, which has increased by not less than 50% on account of high cost of setts, fertilisers (chemicals and oil cake) and labour, the ryots request the Govt. (a) to give gradations on the sale price of sugar, at 9.6 pies for every rupee by which the price of sugar exceeds Rs.180/- (exclusive of excise duty) and to raise the basic minimum price to Rs.12/- per ton of cane (b) as an alternative to the above, a flat rate of not less than Rs.16/- per ton be fixed under the prevailing circumstances. (Note:- Our area is about 8 miles from the factory and transportation charges are heavy.)

4. The ryots request the Govt, to give protection to their cane crops prohibiting import of cane by the factory from Munirabad, in Nizam province. They humbly suggest that steps under Sec.3 (3) of the Act may be taken for the present.

5. The ryots also request that in case the factory Management were to refuse to give reasonable price to the cane growers, and decide to close the factory in view of the prevailing high jaggery market or for any other reasons, the Govt. should come to the aid of cane growers by running the factory themselves.

6. The ryots request that any representations from any of the interested parties such as the local sugar merchants to the detriment of the cane-growers should be overlooked and the interests of the cane growers should be safegaurded in all respects.

7. The ryots earnestly request that the Govt. be pleased to release the needed Notification immediately and to direct the Factory to start crushing without further delay.

J. Chandrappa
President
12/11/42

Copies submitted to :-
1. Director of Industries & Commerce.
2. Director of Agriculture.
3. The District Collector, Bellary
4. The Sub-Collector, Hospet.

Lost copy of the Telegram No 16 dated 12-11-42 from Sri. A. Ramachandra Rao B.A. President Ryots Association Hospet to the Second Adviser Development Department, Government of Madras. 27

V 28043

Learn-Sugar-Factory-commences-crushing-November-end-draft-notification unduly-delayed-causing-anxiety;Jaggery-making-progressing-;Kindly-expedite-notification; Pray-fix-cane-basic-price-at-13-against-220-sugar price-retaining-last-years-sliding-in-view-of-ryots-plight-due-to (1)Rising-cultivation-cost(2)sugar-price-control-thwarting-realisation of-natural-price-for-cane-(3)prohibition-of-export-of-jaggery-causing disorganisation and-want-of-natural-market-consequently-sinking-of-real-jaggery-price(4)-non-prohibition-of-importing-cane-from-outside-residency-

President,Ryots Association,Hospet.

---

copy submitted for information and necessary action to:

1. The Collector of Bellary
2. The Deputy Director of Agriculture, Bellary.
3. The Sub-Collector Hospet.
4. The Tahsildar Hospet.
5. The Registrar of Co-operative Societies Madras.

ARamachandraRao

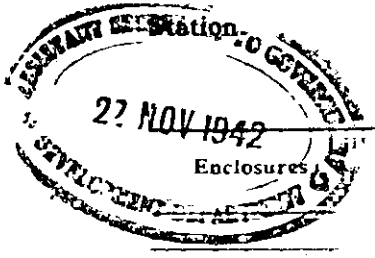
C.F. 32.

AGRICULTURAL Department

From (Name) P.H.RAMA REDDI ESQ., I.A.S.,
Designation Director of Agriculture,
Madras.

Received Registered 28229

To
The Secretary to Government,
Development Department,
Stonehouse Hill,
The Nilgiris.



No. C.2.1362.42 dated 20th Nov. 1942

Sir,

Acts & Rules - Sugarcane Act - Hospet controlled area (Bellary district) - Fixation of minimum price for 1942-43 season - Representation of the Hospet Ryots' Association.
Government Memorandum No.24450 A/42-2 dated the 5th November 1942.

In continuation of my letter No.C.2.1362.42 dated the 13th November 1942, I have the honour to enclose copy of telegram dated 12th November 1942 from the President, Ryots' Association Hospet. It is possible that the telegram has been repeated to Government as well. I replied to the President that the request of the Association was unreasonable and that I could not see my way to recommend it to Government. A copy of my reply is also enclosed for the information of Government.

2. In fairness to the sugarcane cultivators supplying cane to the Hospet factory, I would, however,

urge on Government the desirability of prohibiting the importation of cane for the use of the factory from outside the Madras Presidency, e.g. from H.E.H. the Nizam's Dominions. It is enough for this purpose if no waggons are made available for the transport of cane from the other side of the Tungabahdra river. Prohibition of import of cane into the Province is also justified in view of the restrictions on the export of jaggery ordered in Notification No.425 dated the 5th September 1942 published at page 891 of Part I of the Fort St. George Gazette dated the 8th September 1942.

I have the honour to be,
S i r,
Your most obedient servant,

for DIRECTOR OF AGRICULTURE.

The main file on the subject has been submitted to Secy. This may be added to it on receipt.

D.A's recommendation may be examined & orders taken in O.M.

S.L.** 26/11/42

Submitted. The recommendation of the D.A. is also one of the requests of the Ryots' Association & it has been noted on in the main file. For orders whether it should be noted on in this file also.

A suggestion is now made that wagons for the import of cane could be made available. Can this be done? We have no control over the Nizam's Dominions.

I

Copy of telegram dated 12th November 1942 from the President, Ryots' Association, Hospet.

AGRICULTURE MADRAS.

LEARN SUGAR FACTORY COMMENCES CRUSHING NOVEMBER AND DRAFT OTIFICATION UNDULY DELAYED CAUSING ANXIETY JAGGERY MAKING ROGRESSING KINDLY EXPEDITE NOTIFICATION PRAY FIX CANE BASIC RICE AT 13 AGAINST 220 SUGAR PRICE RETAINING LAST YEAR'S LIDING IN VIEW OF RYOTS PLIGHT DUE TO (1) RISING CULTIVATION OST (2) SUGAR PRICE CONTROL THWARTING REALISATION OF NATURAL RICE FOR CANE (3) PROHIBITION OF EXPORT OF JAGGERY CAUSING ISORGANISATION AND WANT OF NATURAL MARKET CONSEQUENTLY SINKING F REAL JAGGERY PRICE (4) NONPROHIBITION OF IMPORTING CANE FROM UTSIDE PRESIDENCY.

PRESIDENT RYOTS ASSOCIATION HOSPET."

II

Copy of my reply dated the 14th November 1942.

In reply to your telegram I sent you to-day the ollowing wire in reply.

REQUEST UNREASONABLE CANNOT BE RECOMMENDED.

The accepted principle in fixing the price of sugarcane s that roughly one half of the net price paid for sugar,, elivery at the factory, should go towards the cost of sugarcane nd the remaining one half for manufacture, including interest n capital investment, depreciation of machinery, buildings, etc. nterest on floating capital, payments for the staff, managing

agents, etc. commission to the managing agent, if any, insurance, articles required for running the machinery and making sugar etc. On this principle, when sugar is selling at Rs.220/- per ton or at the net rate of Rs.220-60 (excise duty) : 160, the cost of sugarcane comes to only Rs.80/- and taking the sugar recovery as 10 % which is a little too high for the Hospet factory the reasonable rate for cane is Rs.8/- per ton. If your rate is accepted, the cost of sugarcane required for producing 1 ton of sugar comes to Rs.130-140 depending upon the percentage of sugar recovery and the remaining amount of Rs.20-30 is hardly sufficient for even the running expenses of the factory.

I am fully aware that on the basis of the above calculation it is more remunerative to grow paddy than sugarcane but this disadvantage is due to the control of the price of sugar while no such restriction is imposed on other agricultural produce. The remedy lies in raising the price of sugar and not fixing the rate of sugarcane arbitrarily so high as no sugar factory can pay.

POST COPY OF TELEPHONIC MESSAGE DATED 28th NOVEMBER 1942. 33

Special

From the Deputy Secretary to Government,
Education & Public Health Deptt.,
Stonehouse Hill, The Nilgiris.

To the Superintendent, Government Press,
Mint Buildings, MADRAS.

Development Department are sending separately Notifications under Sub-Section (2) of Section ~~III~~ 3 of the Sugarcane Act, 1934 (Act XV of 1934) for publication in an Extraordinary issue of the Fort St. George Gazatte and in the Bellary District Gazatte. Please arrange to issue the Notifications on the dates on which the Developement Department require them to be published in the Gazattes.

urgent
28/11/42

28/11/42

~~for the Deputy Secretary to Govt~~

(True Copy)

Special

35/

Development Department.

Memo No. 24450 A/42- 4 dated 28.11.42

Acts and Rules - Sugarcane Act - Hospet controlled area - Minimum price - 1942-43 season- Notification.

--

Letter from the D.I. & C.No.4030-A/42 dated 13.11.1942.

-do- D.A. No.C.2. 1362.42 d/ 13.11.42.

The Superintendent, Govt. Press is requested to publish the notifications appended to this Memo in an extraordinary issue of the Fort St. George Gazette on 30-11-1942 and in the Bellary District Gazette. He is also requested to send 10 copies of the printed notifications to Govt. urgently.

2. The Director of Agriculture / Collector of Bellary is requested to instruct the D.A.O. / Revenue staff in the district to bring the contents of the notifications to the notice of the ryots in the important sugarcane areas of the Hospet

taluk.

3. The D.A. is also requested to submit the objections, if any, with his remarks so as to reach the Govt. within three days after the last date fixed for receipt of objections.

To the D.A.
" Collr. of Bellary
" S.G.P.(para 1 only)
" D.I. & C.

Encls. copies of pp 3

Land Use

Notification

I.

The following draft of a notifiation which it is proposed to issue in exercise of the powers conferred by sub-section 2 of section 3 of the Sugarcane Act, 1934 (XV of 1934) and in supersession of Development Department Notification No.784 dated 3rd November 1941 published at page 1325-26 of Part I of the Fort St. George Gazette dated 11th November 1941 is hereby published as required by section 4 of the said Act, for the information of all persons likely to be affected thereby. Notice is hereby given that the draf Notification will be taken into consideration on or after the 30th December 1942 and that any objection or suggestion with respect thereto which may be received from any person before the date aforesaid will be considered by the Government of Madras. Objections and suggestions should be sent through the Director of Agriculture.

Draft Notification.

In exercise of the powers conferred by sub-secti 2 of section 3 of the Sugarcane Act, 1934 (XV of 1934 and in supersession of Development Department Notific tion No. 784 dated 3-11-1941 published at page 1325.2 of Part I of the Fort St. George Gazette dated 11-11-1 His Excellency the Governor of Madras is hereby please to fix with effect on and from 1-12-1942 Rs.10/- per ton as the basic minimum price for the purchase of sugarcane (all varieties) in the controlled area of the Hospet revenue taluk of the Bellary district, suc sugarcane being intended for use in a factory as defined in the said Act and to direct that

(i) when the average price per ton of white sugar (otherwise known as Aska sugar) as determined and notified in the manner explained below is Rs.200/- the minimum price for the purchase of sugarcane (all varieties) in the controlled area in respect of sugarcane purchased not later than 15-6-1943 for

in a factory shall be Rs.10/- per ton; and

(ii) when the average price per ton of white sugar as determined and notified in the manner explained below exceeds Rs.200/- an amount calculated at 9.6 pies for each ton of foreign varieties of canes and 8.6 pies for each ton of local canes for every rupee by which the average price of white sugar is in excess of Rs.200/- shall be fully paid in addition to the minimum price specified in clause (i) in respect of every ton of foreign varieties of canes or local canes, as the case may be, purchased not later than 15-6-1943 for use in a factory.

The payments to be made on every ton of foreign varieties of canes and local canes shall be as detailed in columns (2) and (3) respectively of the schedule below for the average price per ton of white sugar noted in col.(1) of the said schedule.

Explanation.(1)/The minimum price specified is for delivery of sugarcane at the factory.

(2) The average price of white sugar shall be the average ex-factory price realised for one ton of white sugar excluding excise duty and sales tax, but including commission to selling agents during the period commencing on and from the 1st December 1942 till 15th June 1943.

(3) The ex-factory price shall be the price of white sugar, packed in accordance with the usual market practice and loaded at the buyers option, on to buyers carts or lorries, or into railway wagons at the railway station or siding generally used by the producer, all incidental charges, including those for siding and forwarding, being on account of the producer.

(4) The average price of white sugar shall be determined and ~~once~~ published by the Director of Industries and Commerce under his authority at the Office of the Tahsildar, Hospet.

Schedule.

Price per ton of white sugar excluding excise duty and sales tax but including commission to selling agents.	Foreign varieties (all Coimbatore varieties such as Co.290,413,281,419 etc., and introduced varieties like POJ 2878; Fiji B, etc.)			Local varieties (Bilai Kabbu and Hottai Kabbu).		
(1)	(2)			(3)		
Rs.	Rs.	A.	P.	Rs.	A.	P.
200 and below	10	0	0	10	0	0
201	10	0	9.6	10	0	8.
202	10	1	7.2	10	1	5.
203	10	2	4.8	10	2	1.
204	10	3	2.4	10	2	10.
205	10	4	0.0	10	3	7.
206	10	4	9.6	10	4	3.
207	10	5	7.2	10	5	0.
208	10	6	4.8	10	5.	8.
209	10	7	2.4	10	6	5.
210	10	8	0.0	10	7	2.
211	10	8	9.6	10	7	10.
212	10	9	7.2	10	8	7.2
213	10	10	4.8	10	9	3.8
214	10	11	2.4	10	10	0.4
215	10	12	0.0	10	10	9.0
216	10	12	9.6	10	11	5.6
217	10	13	7.2	10	12	2.2
218	10	14	4.8	10	12	10.8
219	10	15	2.4	10	13	7.4
220	11	0	0.0	10	14	4.0
	and so on			and so on		

Notification.

In exercise of the powers conferred by section 7 of the Sugarcane Act, 1934 (XV of 1934) His Excellency the Governor of Madras is hereby pleased to make the following rule:-

Rule.

Notwithstanding anything contained in rule 8 of the Madras Sugarcane Rules, 1938, payment for all sugarcane purchased for a factory in the controlled area of the Hospet revenue taluk during the ensuing sugar-~~caine~~ cane purchasing season shall be made as follows:-

(i) the basic minimum price for all sugarcane purchased shall be paid within 15 days after the completion of delivery of the sugarcane at the factory and

(ii) any excess due over and above the basic minimum price shall be paid not later than 30th June 1943.

Whoever commits a breach of this rule shall be punishable with fine not exceeding three hundred rupees and in case of a continuing breach with fine not exceeding fifty rupees for each day during which the breach continues after the first day subject to a maximum of two thousand rupees.

#3

War Dept.

Telegram (Express) / Letter / D/O 26-11

FORSYLOC HOUSE

Superintendent, Govt. Press, Madras.

Two notifications under Sugarcane Act dispd. today with memo No. 24450 A/42 Please arrange to have them published in (an) extraordinary issue of Fort St. George gazette on 30th instant.

Deviment

28/11/42

RM.
29/11/42
28/X1/42

Registered No. M-1

[PRICE, 6 *pies*.

12251

UNDER SECRETARY
1- DEC 1942

THE FORT ST. GEORGE GAZETTE

PART I—EXTRAORDINARY

PUBLISHED BY AUTHORITY

29099

No. 33] MADRAS, MONDAY, NOVEMBER 30, 1942

DEVELOPMENT DEPARTMENT.

MINIMUM PRICE FOR THE PURCHASE OF SUGARCANE IN HOSPET CONTROLLED AREA.

Fort St. George, November 28, 1942.

No. 567.

The following draft of a notification which it is proposed to issue in exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act, 1934 (XV of 1934), and in supersession of Development Department Notification No. 784, dated 3rd November 1941, published at pages 1325–26 of Part I of the *Fort St. George Gazette*, dated 11th November 1941, is hereby published as required by section 4 of the said Act, for the information of all persons likely to be affected thereby. Notice is hereby given that the draft notification will be taken into consideration on or after the 30th December 1942 and that any objection or suggestion with respect thereto which may be received from any person before the date aforesaid will be considered by the Government of Madras. Objections and suggestions should be sent through the Director of Agriculture.

DRAFT NOTIFICATION.

In exercise of the powers conferred by sub-section 2 of section 3 of the Sugarcane Act, 1934 (XV of 1934) and in supersession of Development Department Notification No. 784, dated 3rd November 1941, published at pages 1325–26 of Part I of the *Fort St. George Gazette*, dated 11th November 1941, His Excellency the Governor of Madras is hereby pleased to fix with effect on and from 1st December 1942, Rs. 10 per ton as the basic minimum price for the purchase of sugarcane (all varieties) in the controlled area of the Hospet revenue taluk of the Bellary district, such sugarcane being intended for use in a factory as defined in the said Act and to direct that

(i) when the average price per ton of white sugar (otherwise known as Aska sugar) as determined and notified in the manner explained below is Rs. 200 the

minimum price for the purchase of sugarcane (all varieties) in the controlled area in respect of sugarcane purchased not later than 15th June 1943 for use in a factory shall be Rs. 10 per ton ; and

(ii) when the average price per ton of white sugar as determined and notified in the manner explained below exceeds Rs. 200 an amount calculated at 9·6 pies for each ton of foreign varieties of canes and 8·6 pies for each ton of local canes for every rupee by which the average price of white sugar is in excess of Rs. 200 shall be fully paid in addition to the minimum price specified in clause (i) in respect of every ton of foreign varieties of canes or local canes, as the case may be, purchased not later than 15th June 1943 for use in a factory.

The payments to be made on every ton of foreign varieties of canes and local canes shall be as detailed in columns (2) and (3) respectively of the schedule below for the average price per ton of white sugar noted in column (1) of the said schedule.

SCHEDULE.

Price per ton of white sugar excluding excise duty and sales tax but including commission to selling agents. (1)	Foreign varieties (all Coimbatore varieties such as Co. 290, 413, 281, 419, etc., and introduced varieties like POJ 2878, Fiji B, etc.). (2)	Local varieties (Bilai Kabbu and Hottai Kabbu). (3)
	RS. A. P.	RS. A. P.
200 and below ..	10 0 0·0	10 0 0·0
201	10 0 9·6	10 0 8·6
202	10 1 7·2	10 1 5·2
203	10 2 4·8	10 2 1·8
204	10 3 2·4	10 2 10·4
205	10 4 0·0	10 3 7·0
206	10 4 9·6	10 4 3·6
207	10 5 7·2	10 5 0·2
208	10 6 4·8	10 5 8·8
209	10 7 2·4	10 6 5·4
210	10 8 0·0	10 7 2·0
211	10 8 9·6	10 7 10·6
212	10 9 7·2	10 8 7·2
213	10 10 4·8	10 9 3·8
214	10 11 2·4	10 10 0·4
215	10 12 0·0	10 10 9·0
216	10 12 9·6	10 11 5·6
217	10 13 7·2	10 12 2·2
218	10 14 4·8	10 12 10·8
219	10 15 2·4	10 13 7·4
220	11 0 0·0	10 14 4·0
	and so on.	and so on.

Explanation.—(1) The minimum price specified is for delivery of sugarcane at the factory.

(2) The average price of white sugar shall be the average ex-factory price realized for one ton of white sugar excluding excise duty and sales tax, but including commission to selling agents during the period commencing on and from the 1st December 1942 till 15th June 1943.

(3) The ex-factory price shall be the price of white sugar, packed in accordance with the usual market practice and loaded at the buyers' option, on to buyers' carts or lorries, or into railway wagons at the railway station or siding generally used by the producer, all incidental charges, including those for siding and forwarding, being on account of the producer.

(4) The average price of white sugar shall be determined and published by the Director of Industries and Commerce under his authority at the office of the Tahsildar, Hospet.

No. 568.

In exercise of the powers conferred by section 7 of the Sugarcane Act, 1934 (XV of 1934), His Excellency the Governor of Madras is hereby pleased to make the following rule :—

RULE.

Notwithstanding anything contained in rule 8 of the Madras Sugarcane Rules, 1938, payment for all sugarcane purchased for a factory in the controlled area of the Hospet revenue taluk during the ensuing sugarcane purchasing season shall be made as follows :—

(i) The basic minimum price for all sugarcane purchased shall be paid within fifteen days after the completion of delivery of the sugarcane at the factory ; and

(ii) any excess due over and above the basic minimum price shall be paid not later than 30th June 1943.

Whoever commits a breach of this rule shall be punishable with fine not exceeding three hundred rupees and in case of a continuing breach with fine not exceeding fifty rupees for each day during which the breach continues after the first day subject to a maximum of two thousand rupees.

T. SIVASANKAR,
Deputy Secretary to Government.

MADRAS : PRINTED AND PUBLISHED BY THE SUPERINTENDENT, GOVERNMENT PRESS.

THE INDIA SUGARS & REFINERIES, LIMITED.

(Registered Office: Hospet, Bellary District)

V. RAMALINGAM
Managing Agent,

Codes Used:—Bentley's
Tel: "SUGARS" Hospet.

29593

HOSPET, Bellary District.

7th. December 1942.

Ref. No. 732

The Secretary to Government of Madras,
Development Department,
Ootacamund.

Dear Sir,

With reference to Government Notification No.567 dated 28th. November 1942 calling for objection if any before the 30th. December 1942 as regards the fixation of cane prices in the Hospet area, we beg to draw your kind attention to the representations we have made as to how this price fixation is a great handicap to us especially as ours is the only factory that has been selected for this distinction in as much as it sets no standard for the cane that is supplied to the factory, nothing having been said about the age of the cane and its sucrose content, nor any conditions having been laid down that the ryots should supply the cane to the factory alone. We have to reiterate those objections again as the Notification is silent on all those points. We have to stress our protests further this year as owing to the failure of the rain the quality of the cane in the area is poorer than normal and the basic price per ton one rupee higher than during the previous years.

2. We beg to point out further that the price of sugar has been fixed at a rate quite incommensurate with the rise in the cost of the other food products, though th cost of manufacture

manufacture apart from the higher price we have to pay for the raw material, has increased by 50%.

3 We, however, recognise that taking the present circumstances into consideration it is our duty to co-operate with the Government in the laudable efforts they are making to increase the food supply of the Presidency and to see that the sugar supply in the Presidency is increased and the strain on the freight in the country is reduced appreciably we agree to pay the price mentioned in the Draft Notification.

4 We begin our crushing generally about the middle of November but as the suppliers could not come to any terms we could not do so though we are now in the second week of December. No agreement has yet been reached between ourselves and the local suppliers.

5 We explained to the Sub Collector , Hospet, Mr. Visvanatha Iyer, I.C.S., the position and our utmost willingness to start the crushing. He had already spoken to some of the persons and had learnt first hand their views in the matter. He saw some of the leading merchants also yesterday and impressed upon them the advantage to them of the price now proposed to be fixed which worked at 55% of the cost for the raw material as against 50% contemplated by The Sugar Tariff Board. He said also that he was anxious that the labour which usually come to Hospet to work in the factory and which had already come, should not be disappointed and asked us to show a further concession by agreeing to pay the bonus amount also along with the basic price as the price now fixed for the sugar was not likely to be lowered and the supplier still had the advantage of the higher price, if it came to pass according to the draft notification. This appeal with that lofty

lofty motive behind we could not resist. We readily agreed to pay the full price for cane on the controlled price of ~~cane~~ sugar of Rs.319-6-0 per ton and have informed the merchants accordingly.

5 We sincerely hope that the response from the growers and the merchants will be equally prompt to enable us to start the factory at the earliest opportunity provided adequate daily supplies are assured and crush the cane to the utmost capacity which after all could only deal with the crop of about 25,00[illegible] acres while the area under sugarcane in the Hospet area is nearly 7200 acres.

7 We hope also that the benign government will appreciate our attitude and grant us the relief as urged by the South Indian Marketing Board to increase the price of sugar to an extent at par with the rate of increase in the price of other articles of consumption owing to the abnormal times the Sugar Industry is passing through.

8 To sum up we agree to pay the basic price mentioned in the draft notification and to forego our right to postpone the bonus amount till the end of June 1943 and to pay the bonus amount also along with the payment of the basic price.

Yours faithfully,
For THE INDIA SUGARS & REFINERIES LIMITED,

V Ramalingam
Managing Agent.

Rec. Dept.

Submitted for perusal. A copy of para 7 above may be sent to Madras Office for necessary action.

Reg may be to the Managing Agents' letter.

From

Sri. [illegible] Ramachendra Rao B.A.,
President, Ryots Association,
Hospet.

Dev. Dept. 30914 A

30-12-42

30 DEC 1942

To

The Secretary to Government,
Development Department
Government of Madras, Madras.

29 DEC 1942
DEVELOPMENT DEPARTMENT

Thro'

The Director of Agriculture,
M A D R A S.

Sir,

Ref Notification No. 567/28-November 1942 -issuing the draft of Notification fixing the minimum price for purchase of Sugar cane in Hospet controlled area and calling for suggestion etc submitted copy of Resolution of the Con. Ryots meeting held at Hospet on 27-12-42.

I herewith submit a copy of the Resolution referred to above and request favourable consideration.

ORamachandraRao
28.12.4
President

Resolution dated 27-12-42

" Under normal conditions our request for a minimum price would be at Rs 10/- at Rs 220/- sugar price with sliding scale. The Government's control of sugar price etc.(Ref-President's telegram dated 12-11-42) led us to pray for a fixation of minimum price at Rs 13/- at Rs 22 /- with rise in sugar price(to the controlled level only) The Honourable of griculture's inability to recommend the same, Government non-raising of sugar control price to a nigher level gave little hope to the ryots for any big(only economic) price for his cane to meet his needs under the then existing circumstances. Further the factories indulging higgling activities to secure a cheap rate for the canes and the consequent uncertain programme of the Factory coupled with the slow and steady rising tendency in the price of jaggery led us to crushing by country mills involving us further into unavoidable and irrevocable commitments such as hiring of mills labour,(bullocks etc)

By now only a negligible quantity of variety cane remains together with full local cane. The price of jaggery is now Rs 30/- Hence under altered conditions the ryot is constrained to pray that the Government be pleased to fix the minimum price above Rs 30/- flat rate and protect the ryots"

Copy submitted to the Secretary, Development Department Government of Madras for information.

Copy submitted to the Director of Agriculture by Regd Post separately also.

Dev. Dept.

Submitted for perusal. A copy of the communication has been sent to DA. The DA's report on the objections to the notification at pages 45-46 above may be awaited till 4.1.43.

31/12

55

C.F. 32 (a).

Agricultural Department (Received) 1 JAN 1943 (Registered) 6

From (Name) P. Rama Reddi, Esq. I.A.S.,
Designation Director of Agriculture,
Station Madras.

To Secretary to Government,
Development Department,
Stonehouse Hill, The Nilgiris.

Enclosures: C-2. No. 1562/42. dated 30th Dec., 1942

Sub:- Sugarcane Act - Hospet controlled area - Minimum price - 1942--43 season - Notification.

Ref:- Government Memorandum No. 24450-A/42-4 dated 28th November 1942.

I have the honour to state that with reference to the draft notification objections and suggestions have been received only from:

1) The Chairman of the Special Committee, managing the affairs of the Hospet Sugarcane Growers' Co-operative Society, Ltd., (under supersession) and

2) The President, Ryots' Association, Hospet.

The letter dated the 19th December 1942 addressed to Government by (1) above, as well ~~as copy of~~ letter dated the 28th December 1942 from (2) ~~which has evidently been sent to Government already~~, are enclosed.

2. The Chairman of the Special Committee recommends a

minimum price of Rs. 12 per ton, the excess over the basic price being made payable before 31st March 1943. Alternatively, he recommends a flat rate of Rs. 15/- per ton. The Ryots' Association, Hospet states that only a flat rate of Rs. 20/- per ton would make it worth while for the ryots to sell their cane to the factory.

3. The position is as follows: A ton of cane if converted into jaggery fetches the ryot at least Rs. 22-8-0. The cost of production of jaggery for one ton of cane under present conditions works out at Rs. 3-9-0. There is therefore a clear net return of Rs. 18-15-0 to the ryot against the proposed basic price of Rs. 10. It seems therefore desirable that the proposed minimum price should be raised to Rs.13/- per ton on the assumption that the price of sugar will not go down below Rs. 320/- per ton. Bonus will remain the same as mentioned in the notification.

I have the honour to be,
Sir,
Your most obedient servant,

DIRECTOR OF AGRICULTURE.

N.R. 30-12.P.

The Hospet Sugar Cane Growers' Co-operative Society, Ltd.

NO. Y. 271. (Under Supersession)

HOSPET.

Date. 19-12-42. 19

From

Sri A.D.Singaram Mudaliar

Chairman Special Committee

To

The Secretary

Development Department

The Government of Madras.

Through

The Director Of Agriculture

Chepauk, Madras.

Sir,

Sub:-- Minimum price for the purchase of Sugarcane in Hospet Controlled area --

Ref:-- Draft notification No.33 Madras dated Monday, November 30th.1942 - Nos.567 and 568 - Fort Saint George Gazette - Dev.Department --

I have the honour to bring it to your kind notice that the notification regarding the fixation of price for the purchase of Sugarcane in Hospet Controlled area is not encouraging to the growers this season. The price of jaggery is very high and the ryots are now able to earn about Rs 20/= to Rs 30/= per 9 maunds of jaggery, and the same quantity in terms of sugarcane would fetch the ryot only about Rs 13/= or so in accordance with the notification rate. One ton of sugarcane yields on an

average about 9 maunds of jaggery. The rates notified by the Government are very low when compared with the prices of jaggery, as a result of which almost all the ratoon crop of factory variety has been already consumed by the ryots for jaggery manufactured. About 1000 acres of variety cane may be available this year for the factory and even this is not certain. About 130 bullock crushers and about 12 power crushers are now at work, and it, therefore, seems certain the factory may not be fed with any cane this year, for this reason that the ryot is not assured of a good price by the factory. The non-payment of the bonus amount according to the Government rate last year, by the factory is another factor which has attributed to the indiference of the ryot towards supply of cane to the factory. While jaggery has a ready and a sure market and which fetches immediate money, the sugarcane if supplied to the factory, is not assured of a reasonable price and immediate payment in full.

It is, therefore, necessary for the Government to either increase the minimum price of cane to Rs 12/= per ton and the bonus payable before 31-3-1943, or control the price of jaggery in terms of sugar. The price of jaggery is very high and the price of sugarcane at the draft notification is very low.

If the Government is kind enough to fix a flat rate of Rs 15/= per ton payable within 24 hours after the supply is made, there may be the possibility of the ryots supplying cane atleast to an extent of about 1000 acres this season. As it is, the factory has not commenced crushing and the chances for its work this season are also not encouraging. The ryots may be given the temptation of Rs 15/= per ton payable within 24 hours after supply, the situation may improve, and there may be the possibility of the factory running this season. The above suggestion may kindly be considered at the time of confirming the draft notification as issued by the Government.

I am enclosing a copy of the resolution of the Special Committee appointed by the Registrar of Co-operative Societies, Madras to manage the affairs of the above society under supersession, for your kind information

5965

The Hospet Sugar Cane Growers Co-operative Society, Ltd.

NO. Y. 271.

(3)

HOSPET.

Continued

Dated. 1943

and necessary action.

R. Singaram
Chairman.

Ld 24/12/42

True copy of the resolution No.11 dated 8-12-42 of the Special Committee of the Hospet Sugarcane Growers Co-op. society, Ltd., Hospet under supersession.

Subject No.11.

Government notification draft fixation of price sugarcane for the season 1942-43 - Notification No.567 and Dev.Dept. Ft.St.George November,28 1942.	Considering the present rate of jaggery the price fixed by the Government is not encouraging and communicate. ?

(Sd.) A.D.Singaram,
N.Chennaveeriah.

(True copy.)

OFFICE OF THE DIRECTOR OF AGRICULTURE
RECEIVED
30 DEC 1942
MADRAS

61

From

Sri. P. Ramachendra Rao B.A.
President, Ryots Association,
Hospet.

To

The Secretary,
Development Department
Government of Madras, Madras.

Thro'

The Director of Agriculture,
M A D R A S.

Sir,

Ref: Notification No. 567/23-November 1942 - issuing the draft of Notification fixing the minimum price for purchase of Sugar cane in Hospet controlled area and calling for suggestion etc submitted copy of Resolution of the Cane Ryots meeting held at Hospet on 27-12-42.

I herewith submit a copy of the Resolution referred to above and request favourable consideration.

P Ramachandra Rao
President 28.12.42

Resolution dated 27-12-42

" Under normal conditions our request for a minimum price would be at Rs 10/- at Rs 220/- sugar price with sliding scale. The Government's control of sugar price etc.(Ref-Residents telegram dated 12-11-42) led us to pray for afixation of minimum price at R. 15/- at Rs 220/- with rise in sugar price(to the controlled level only. The Directors of Agriculture's inability to recommend the case, Government hardening of sugar control price to a higher level gave little hope to the ryots for any orginary economic price for his cane to meet his needs under the then existing circumstances. Further the factories ~~xxxxxx~~ highly active to secure a cheap rate for the canes and the consequent uncertain programme of the factory coupled with the slow and steady receding tendency in the price of jaggery led us to crushing by country mills involving us further into unavoidable and irrevocable commitments such as hiring of mills labour,(bulls-men etc)

By now only a negligible quantity of variety cane remains together with full local cane. The price of jaggery is around Rs.30/- hence under altered conditions the ryot is constrained to pray that the Government be pleased ~~xx~~ to fix the minimum price above Rs 20/- flat rate and protect the ryots"

Copy submitted to the Secretary, Development Department Government of Madras for information.

Copy submitted to the Director of Agriculture by Regd Post separately also.

Received by Registered Post.
28/12
TA.39/

Extract from the proceedings of the Second Meeting of the Committee for Sugar Production held on 22nd December 1942.

***

Item 2 - The recent decision of the Govt. of India not to revise the existing ex-factory price for sugar. Consideration of further measures, if any, for increasing local production in view of this decision.

* * *

The Commissioner of Civil Supplies reported that the Sugar Controller had promised to allow the cost of freight from North India to be added to the ex-factory price of sugar in the case of smaller factories. He added that the Sugar Controller would admit all the factories in the Province except Parry's to this concession. It was expected that this concession would allow the factories to pay something like 2 annas extra per maund of cane crushed. The Chairman suggested that formal confirmation of this concession should be obtained from the Govt. of India and that if the concession were allowed, the factories must be made to pay more in proportion for sugarcane, by Government intervention, if necessary.

C - Please examine with reference to the statutory rates for Cane enforced in the Hospet area.

C.V.N.

29.12.42

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

3065

319

H

X 12/30 HOSPET 4 STE 66 DEVMENT STONEHOUSEHILL OOTACAMUND

..... SUGARCANE AVAILABLE ONLY THIRTYFIVE THOUSAND TONS IN ENTIRE NOTIFIED HOSPET AREA STOP INCREASING RATES TO RS SIXTEEN PER TON FOREIGN VARIETIES AND RS FIFTEEN ANNAS SIX FOR LOCAL VARIETIES VERY NECESSARY BESIDES STRICTEST CONTROL OVER JAGERY MOVEMENTS FIXATION OF JAGGERY PRICE TWENTY RS PER NINE LOCAL MAUNDS AND LICENSING BULLOCK AND POWER CRUSHERS FOR JAGGERY

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any) and number of words

This form must accompany any enquiry respecting this telegram.

MGIPAh.—1971—16 9 41—10,500.

No.

INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

67

MAKING TO AVOID BLACK MARKET

--- AGRICULTURE

MSCRB 95 14/31

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any) and number of words

This form must accompany any enquiry respecting this telegram.

MGIPAh—971—10 9.43—10,500.

ASSISTANT SECRETARY TO GOVERNMENT
6 JAN 1943
TO GOVERNMENT

288

Office of the Director of Agriculture,
Madras, Camp: HOSPET.
Dated the 4th January 1943.

Post Copy of Telegram.

"DEVMENT
STONEHOUSE HILL.

SUGARCANE AVAILABLE ONLY THIRTYFIVE THOUSAND TONS IN ENTIRE NOTIFIED HOSPET-AREA STOP INCREASING RATES TO RUPEES SIXTEEN PER TON FOREIGN VARIETIES AND RUPEES FIFTEEN AND ANNAS SIX FOR LOCAL VARIETIES VERY NECESSARY BESIDES STRICTEST CONTROL OVER JAGGERY MOVEMENTS, FIXATION OF JAGGERY PRICE TWENTY RYPEES PER NINE LOCAL MAUNDS AND EICENSING BULLOCK AND POWER CRUSHERS FOR JAGGERY MAKING TO AVOID BLACK MARKET.

AGRICULTURE."

Endorsement.

Forwarded, with compliments, to the Secretary to Government, Development Department, Stonehouse Hill, The Nilgiris.

DIRECTOR OF AGRICULTURE.

The Secretary to Government,
Development Department,
Stonehouse Hill,
The Nilgiris.

Express

Dev. Dept. ~~Department~~

Rs 10
8-1-63 Telegram. No 24450 A/62 / Wd Teler 8-1-63

Agriculture, Madras.

Reference your telegram [dated] fourth instant regarding fixation [of] price [for] sugarcane [in] Hospet controlled area Please wire whether rates ~~of sixteen rupees fifteen rupees and six annas~~ [for] ~~local varieties~~ proposed are ~~as~~ basic Minimum prices and if so for what corresponding Sugar price and whether the enhanced price of Sugar from 1st January announced by the Sugar Controller has been taken into account

Dev ment.

Ayl.
7/1/63.
8/1/63

Dev. Dept.

Rs
8.1.42

Telegram No 24450 A/42

Supt. Govt. Secretariat Dev. Dept, Uphalgaon
Pachayapas college, ~~Chatpat~~ Kilpauk.

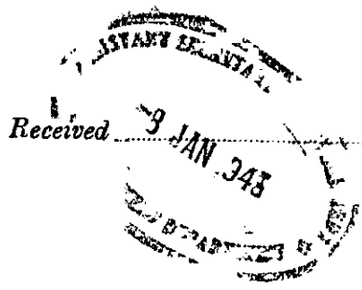
Send immediately copy of latest order of Sugar Controller refining sugar price Land state price per ton.

from 1st Jan.

Supt.

C.F. 30.

AGRICULTURAL **DEPARTMENT.**



Received 3 JAN 343 ..... 19 *Registered* ..... 19 .

Subject.

Sugar production at Hospet - Present position - Report on - Submitted.

ENCLOSURES.
No.
Spare copies

No. C.2.1362.42.

Station Camp: HAGARI, *Dated the* 5th January 19 43.

From (Name) P.H.RAMA REDDI ESQ., I.A.S.,
(Designation) Director of Agriculture, Madras.

To The Secretary to the Government of Madras,
Development Department.
Chetput, Madras.

Sir, Ref:- Government Memorandum No. 24450-A/42-4 dated the 28th November 1942.

In continuation of my telegram dated the 4th January 1943, I have the honour to submit the following report on the present position of sugar production at Hospet.

2. The total area under sugarcane during the current year in the Hospet notified area is 4,537 acres consisting of 1,816 acres under local varieties and 2,721 acres under foreign varieties. Of this area, about 768 acres are not likely to be available for the factory for want of transport facilities. About 500 acres are required for seed for the next crop and about 1,200 acres have already been crushed for jaggery making. Therefore the area on which the factory could depend at present, provided all crushing for jaggery making is at once stopped, is 2,068 acres. The crop is somewhat poor this year due to the adverse seasonal conditions and the average yield of cane per acre expected is not much above 17 tons. At this rate, the quantity of cane available is only about 35,000 tons against the normal requirements of 40,000 tons by the factory in a year of

100 crushing days at the rate of 400 tons per day. The factory can work up to 500 tons per day if necessary.

3. In former years the cultivators in the notified area depended mainly on the factory to purchase their cane but they took to jaggery manufacture on a large scale this year for the following reasons:-

(1). At the time when crushing was commenced in October last, jaggery was selling at an abnormally high rate as compared with sugar and the factory expressed inability to purchase cane at the rate the cultivator obtained by converting it into jaggery. The factory could not offer more than Rs.13/- per ton of cane while by converting cane into jaggery the cultivator got a net return of Rs.20/- to Rs.25/- per ton of cane. The rate at which jaggery of average quality sold at Hospet yesterday was Rs.28/- per Heru: (1 Heru = 9 local maunds:) which is equivalent to one ton of cane. The cost of making a Heru of jaggery is Rs.7/- at the most and the net return per ton was therefore Rs.21/-.

(2). In the notified area most of the sugarcane cultivators are tenant farmers. About 25 % of the sugarcane lands belong to absentee landlords who live outside Hospet and the rest to the people in Hospet. The absentee landlords lease their lands at so many rupees per annum per acre and there is no difficulty with them. In the case of the other landlords, the lease is in terms of so much jaggery per acre per annum, the quantity varying from 4 to 10 Herus per acre according to the situation and nature of the land. The landlords insisted on the lease being paid this year in terms of jaggery though in previous years they accepted cane for their share. The conversion of cane into jaggery suited also the cultivators as they could get by this conversion over Rs.20/- per ton as against Rs.13/- offered by the factory.

(3). The demand for jaggery of every kind is unprecedented and large quantity of it is still going out of the district.

(4). The Managing Director died suddenly and the cultivators did not know with whom they should negotiate for the sale of their cane.

4. In view of these reasons the cultivators thought it advisable to start jaggery making as early as possible instead of depending on the factory. Accordingly, they started crushing ratoon cane on the 11th October with 30 bullock crushers. There are about 165 bullock crushers and 8 power crushers working now and the quantity of cane crushed by them is not less than 400 tons per day. The cultivators are not particularly anxious to sell their cane to the factory at any rate lower than Rs.20/- per ton and unless, therefore, necessary steps are immediately taken by Govornment to counteract the high prices of jaggery there is not much possibility of the sugar factory working this year for more than a few days even at the increased rate of sugar. I should like to suggest the following steps to discourage jaggery making:-

(1). The maximum price of jaggery should be fixed immediately at Rs.20/- per Heru of 9 maunds.

(2). There should be strictest control possible to prevent jaggery being transported by road and rail into the Mysore and Hyderabad States and also into Bombay Presidency. This is not an easy task as a man taking in a cart 5-6 Herus of jaggery can easily afford to

bribe the watchmen up to Rs.10 to 15/- for allowing him to enter the territory adjoining the Bellary district.

(3). The factory should pay at Rs.16/- per ton of foreign varieties and Rs.15-8-0 per ton of local varieties of cane on the same basis as already notified by Government, with the proviso that if the price of sugar is raised above Rs.380/- per ton the cultivators should be paid bonus at the rate already announced.

(4). Further crushing for jaggery making should be immediately stopped under the provisions of the Excise Act in villages included in the notified area.

5. If the first three recommendations are accepted and rigidly enforced it may not be necessary to give effect to the recommendation No.(4).

6. The Secretary to the sugar factory has given me an undertaking to pay for the cane at the rates mentioned above as long as sugar recovery is not less than [illegible] and for the rest in proportion to the percentage of sugar obtained. The latter condition is unnecessary at present and it is enough if the price is fixed as mentioned above.

7. The villages included in the notified area and the area grown with sugarcane in each village is given below:-

Name of village.	Local variety. Acres.	Co.Varieties. Acres.
Chitradurga.	4[illegible]	[illegible]4.75
Gudalapur.	3[illegible]	41[illegible]
Hospet.	[illegible]	17.
Amaravathi.	44.32	1[illegible]
Hosur.	26[illegible]	8[illegible]
Belgaodo.	53.	84.
Nagenahalli.	63.00	37.00
Kalli Rampur.	70.	61.
*Hoskota.	93.40	30.00
Gudiobalapur.	[illegible]	[illegible]
Narrasapur.	156.00	60.
Kaddi Rampur.	[illegible]	5.
Malpangudi.	178.00	58.
*Kalagatta.	218.	5.
*Kavani Basapur.	169.00	9.00
Kamalapur.	12.00	228.00
Krishnapur.	4.00	24.
Hampi.	5.00	31.00
*Dhanapur.	61.00	37.
*Sirganathanahalli.	2[illegible]	1[illegible]
*Nimbapur.	7.50	..
*Venkatapur.	250.00	21.00
Total.	1,815.95	2,721.75

*It may not be possible to obtain all the cane grown in these villages due to transport dificulties. A portion of the cane is, however, taken to the factory every year in the past and the same is expected this year also.

I have the honour to be,
Sir,
Your most obedient servant,

[signature]

Copy to:
The Secretary to Government, DIRECTOR OF GIRIJAN [illegible]
Development Department,
Stonehouse Hill, The Nilgiris.

D.O.No.338-J/43-1.

Development Department,
Chetput, Madras.
Dated 8th January 1943.

Dear Mr.Sivasankar,

Sub: Civil Supplies - Sugar Price for cane in Hospet area.

Ref: From the Director of Agriculture No.C2.1362-42, dated 5-1-1943.

I invite attention to paragraph 4 of the letter cited. Action is being taken in the Madras Office on suggestions 1,2 and 4 of the Director of Agriculture. I understand that action is being taken in the Ooty Office on suggestion 3 with reference to the Director of Agriculture's telegram dated 4th January 1943. I am to add that the Government of India have since fixed ex-factory prices for different grades of sugar (Copy of Govt. of India notification enclosed). For an ex-factory price of Rs.380 per ton of sugar, the factory should be able to pay not less than Rs.16 per ton of cane. In view of this there seems no need for a sliding price scale for sugarcane

78

Hospet area. If you agree with this view, a fixed price for Hospet cane as suggested by the Director of Agriculture may be ordered very urgently.

Yours sincerely,

T. Sivasankar Esq., I.C.S.,
Deputy Secretary to Govt.
Development Department,
Ootacamund.

GOVERNMENT OF INDIA.
Food Department.
Notification.
(Price Control (Sugar).
New Delhi, the 1st January 1943.

No.GVIII(1)/42. In exercise of the powers conferred upon me by sub-clause (1) of clause 6 of the Sugar Control Order 1942, and in supersession of clauses 1,2,3 and 5 of the notification of the Department of Commerce No.P.&S.C.225/42, dated the 28th November 1942, and insupersession of the notification of the Department of Food No.20-SC(6)/42, dated the 17th December 1942, I, N.C.Mehta, Sugar Controller for India, fix the prices of sugars made in India as follows with effect from the date of this notification:-

1. Price per maund of crystal sugar, for sale ex-factory, according to grade, shall be as given in the table below:-

	19	20	21	22	23	24	25.	26	27	28
	Rs.A.P.	Rs.A.P.	Rs.A.P.	Rs.A.P.	Rs.A.P.	Rs.A.P.	Rs.A.P.	Rs.A.P,	Rs.A.P.	Rs.A.P.
AAA	..	..	..	..	14--8-6	14-10-0	14-12-0	14-13-6	14-15-6	15--1-0
AA	..	..	..	..	14--6-6	14--8-0	14-10-0	14-11-6	14-13-6	14-15-0
A	..	13-14-0	14--0-6	14--2-6	14--4-6	14--6-0	14--8-0	14--9-6	14-11-6	14-13-0
B	..	13-11-6	13-14-0	14--0-0	14--2-0	14--3-6	14--5-6	14--7-0	14--9-0	14-10-6
C	..	13--9-6	13-12-0	13-14-0	14--0-0	14--1-6	14--3-6	14--5-0	14--7-0	14--8-6
D	13--4-0	13--8-0	13-10-6	13-12-6	13-14-6	14--0-0	14--1-6	14--3-6	14--5-6	14--7-0
E	13--2-6	13--6-6	13--9-0	13-11-0	13-13-0	13-14-6	14--0-6	14--2-0	14--4-0	14--5-6
F	13--1-6	13--5-6	13--8-0	13-10-0	13-12-0	13-13-6	13-15-6	14--1-0	14--3-0	14--4-6
G	13--0-6	13--4-6	13--7-0	13--9-0	13-11-0	13-12-6	13-14-6	14--0-0	14--2-0	14--3-6

2. Price per maund of crushed sugar, for sale ex-factory, according to grade, shallbe as given below:-

Grade.	Price per maund.
13	Rs.14--5-0
12	14--2-0
11	14--0-0
10	13-14--0
9	13-11-0
8	13--8-0

3. Price per maund of refined sugar, for sale ex-factory, according to grade, shall be as given in the table below:-

Grain size.	ABove 28.
AAA	15-13--0
AA	15-11--0
A	15--9--0
B	15--7--0
C	15--5-0
D	15--3-0
E	15--1--0
F	14-15-0
G	14-13-0

4. Price per seer, for retail sale, of the undermentioned types of sugar, shall not exceed the maximum prices given below:-

Type of sugar.	Maximum retail price per seer.
(i) Sugar candy (Misri or Sakar)	8 annas
(ii) Bura	7 annas
(iii) Khandsari Sugar	6 annas 6 pies.

N. C. MEHTA,
Sugar Controller for India.

C
8743

81

4-

C. X INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

8 JAN.

NOTICE.

This form must accompany any inquiry made respecting this Telegram.

Charges to pay | Rs. | As. | Quick Stamp.

Handed in at (Office of Origin)	Date.	Hour.	Minute.	Service Instructions.	Words.
~~Coimbatore~~ S	8	12	10	15 38	35

TO Supdt 1 section development dept Pachaiyappas College ~~Bldg~~ Mds

Send immediately copy of latest order of Sugar Controller revising sugar price from first January and state price per ton

= Supdt Devmnt dept =

N.B.—The name of the Sender, if telegraphed, is written after the text.

82

Copy enclosed.
Price per ton comes to
about Rs. 380/-

8143

D.S.

C.R. No. 83/32

688

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

X.. SH MADRAS 10 .STE LFDEST 34

SUPERINTENDENT DEVELOPMENT DEPARTMENT STONEHOUSEHILL Ø Ooty

- SUGARCANE HOSPET AREA PRESENT SEASON SECOND ADVISER

SAYS THERE SHOULD BE NO DIFFICULTY IN FIXING RUPEES.

SIXTEEN SECRETARY WANTS ISSUE OF ORDERS IMMEDIATELY

SUPERINTENDENT DIV . DEPT

76 19/20 MS CAP

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in, serial number (in the case of foreign telegrams only), office of origin, date, service instructions (if any) and number of words.

This form must accompany any enquiry respecting this telegram.

MGIPAh—1971—16-9-41—10,000.

SPECIAL

SUGAR FACTORY ¾ HOSPET

Price of cane has to be settled forthis this season immediately

A 2 says there should be no difficulty in fixing at Rs 16 per ton in view of recently increased factory price for sugar.

Who is dealing with this?

If Dy.Sec send him a wire.

If in office please bring tomorro

(2) There is a point relating to payments for last seasons cane which manager says is awaiting Govt.orders.What about this?

U.S.

12/1/43

8 b

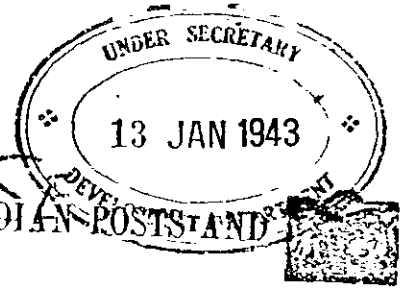
Ex/press Telegram — Despd. PM 12.12.43.

Devmnt. Pachayappas College, Kilpauk. Ltrs
Reference Secretary's note regar
Hospet Sugar Factory. Both
files sent to-day to Madras
for being sent to Legal for
scrutiny of notifications.

Devmnt.

BA
12/12/43.

12/12/43



1030

TELEGRAPHS DEPARTMENT C.

NOTICE

This form must accompany any inquiry made respecting this telegram.

Charges to pay.	
Rs.	As.

Handed in at (Office of Origin)	Date	Hour.	Minute.	Service Instructions.	Words.
					37

TO

Recd. here at H. M.

Document [illegible] letter
Madras
Kindly [illegible] to [illegible]
[illegible] for [illegible] dated [illegible] for [illegible]
legal for Secretary [illegible]
= Document =

B.—The name of the Sender, if telegraphed is written after the text.

den Press, Calcutta—No. 375 (5170/B-241)—12-2-42—1,50,000 Bks.

89

Have they been read?

13.1.83

To U/S

Subbed. Both the files were sent to Legal this morning.

13143.

13143

Seen.

13.1.83

88 here
18.1.43

C.F. 17.

DRAFT FOR APPROVAL.

Development Dept.

	Date.	Initials.
When received for fair copying ..		
When copied ..		
When examined..		
When signed ..		
When despatched.		

SUBJECT:-

ACTS AND RULES -
Sugarcane Act - Hospet controlled area - Fixation of price of sugarcane, 1942-43 - Notification - Issued.

READ AGAIN C , dated 19 .

" " " 19 .

READ *ALSO*:-

C No. 24450A/42. From the D.A. C.2., No. 1362/42, dated 5.3. 19 43. M/73.75

" " " " " " 19 .

" " " " " " 19 .

Order / Resolution x Ms. / Route No. 41 (M), dated 18.1 19 43.

I 45. 4 ~~

In Dev. Dept. Notfication No.567 dated 28.11.42, published in the Fort St.George Gazette extraordinary

dated 30.11.42, the Govt. of Madras published under sec.4 of the Sugarcane Act, a draft notfn. fixing the price of sugarcane in the controlled area of the Hospet revenue taluk of the Bellary dt. H.E. the Governor of Madras has considered the objections or suggestions received and is hereby pleased to confirm the notfn. as amended and appended to this order. It will be published in the F.S.G. and Bellary district gazettes.

2. The D.A. Collr.Bellary is requested to instruct the Dt.Agrl.Officer, Bellary Revenue staff in Hospet taluk to bring the contents of the notfn. to the notice of the ryots in important sugarcane areas in the Hospet taluk.

To the S.G.P. for pubn. of the notfn. in the F.S.G.
To the D.A.
To the D.I. & C.
To the Collr. Bellary for pubn. in the Bellary Dt.Gazette.
Copy to the R.C.S.
Copy to the Bd. of Rev.

Notification.

In exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act, 1934, (XV of 1934) ~~and in supersession of the Dev. Dept. notification No.784 dated 3.11.41 published at pages 1325-26 of Part I of the Fort St.George Gazette, dated 11.1.41~~ H.E. the Governor of Madras is hereby pleased, after previous publication as required by section 4 of the said Act, to fix, with effect on and from 1st December 1942 Rs.16 per ton as the basic minimum price for the purchase of sugarcane in the controlled area of the Hospet revenue taluk of the Bellary district, such sugar-cane being intended for use in a factory as defined in the said Act and to direct that

(i) when the average price per ton of white sugar (otherwise known as Aska sugar) as determined and notified in the manner explained below is Rs.320/- or less the minimum price for the purchase of sugarcane (all varieties) in the controlled area in respect of sugarcane purchased not later than 15th June 1943 for use in a factory, shall be Rs.16 per ton for foreign varieties of sugar-cane and Rs.15 and annas six per ton of local varieties of sugar-cane; and

(ii) when the average price per ton of white sugar as determined and notified in the manner explained below exceeds Rs.320/- an amount calculated at 9.6 pies for each ton of foreign varieties of sugar-cane and 8.6 pies for each ton of local varieties of sugar-cane for every rupee by which the average price of white sugar is in excess of Rs.320/- shall be fully paid in addition to the minimum price specified in clause (i) in respect of every ton of foreign varieties of sugar-cane or local varieties of sugar-cane, as the case may be, purchased not later than 15th June 1943 for use in a factory.

2. The payments to be made on every ton of foreign varieties of sugar-cane and local varieties of sugar-cane shall be as detailed in cols. (2) and (3) respectively of the schedule below for the

average price per ton of white sugar ~~quoted~~ specified in col(1) of the said Schedule.

Explanation:- (1) The minimum price specified is for delivery of sugarcane at the factory.

(2) The average price of white sugar shall be the average ex-factory price realized for one ton of white sugar excluding excise duty and sales tax, but including commission to selling agents during the period commencing on and from the 1st December 1942 till 15th June 1943.

(3) The ex-factory price shall be the price of white sugar, packed in accordance with the usual market practice and loaded at the buyers' option, on to buyers' carts or lorries, or into railway wagons at the railway station or siding generally used by the producer, all incidental charges, including those for siding and forwarding, being on account of the producer.

(4) The average price of white sugar shall be determined and published by the Director of Industries and Commerce under his authority at the office of the Tahsildar, Hospet.

11/1/43

Schedule

SCHEDULE.

Price per ton of white sugar excluding excise duty and sales tax but including commission to selling agents.	Foreign varieties (all coimbatore varieties such as Co. 290, 413, 281, ~~494~~ 414, ~~25~~ etc. and introduced varieties like POJ 2878; Fiji B etc.)			Local varieties (Bilai Kabbu and Hottai Kabbu)		
(1)	(2)			(3)		
Rs.	Rs.	a.	p.	Rs.	a.	p.
320 and below	16	0	0	15	6	0
321	16	0	9.6	15	6	8.6
322	16	1	7.2	15	7	5.2
323	16	2	4.8	15	8	1.8
324	16	3	2.4	15	8	10.4
325	16	4	0.0	15	9	7.0
326	16	4	9.6	15	10	3.6
~~328~~x 327	16	5	7.2	15	11	0.2
328	16	6	4.8	15	1	8.8
329	16	7	2.4	15	2	5.4
330	16	8	0.0	15	13	2.0
331	16	8	9.6	15	13	10.6
332	16	9	7.2	15	14	7.2
333	16	10	4.8	15	15	3.8
334	16	11	2.4	16	0	04.
335	16	12	0.0	16	0	9.0
336	16	12	9.6	16	1	5.6
337	16	13	7.2	16	2	2.2
338	16	14	4.8	16	2	10.8
339	16	15	2.4	16	3	7.4
~~340~~	17	0	0.0	16	4	4.0
	and so on.			and so on		

Pkc.

11/11/43

Enclosures 9/4/2 Pages 63-64 of Part I of T.N. Gazette dt. 26-1-43.

Fixation of price of sugarcane in Hospet controlled area.

Fort St George, January 18, 1943
(G.O. Ms. No. 41, Development).

No. 27.

In exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act, 1934 (XV of 1934), His Excellency the Governor of Madras is hereby pleased, after previous publication as required by section 4 of the said Act, to fix, with effect on and from the 1st December 1942, Rs. 16 per ton for foreign varieties of sugarcane and Rs. 15-6-0 per ton for local varieties of sugarcane as the basic minimum price for the purchase of sugarcane in the controlled area of the Hospet revenue taluk of the Bellary district such sugarcane being intended for use in a factory as defined in the said Act and to direct that

(i) when the average price per ton of white sugar (otherwise known as Aska sugar) as determined and notified in the manner explained below is Rs. 320 or less the minimum price for the purchase of sugarcane (all varieties) in the controlled area in respect of sugarcane purchased not later than the 15th June 1943 for use in a factory, shall be Rs. 16 per ton for foreign varieties of sugarcane and Rs. 15-6-0 per ton for local varieties of sugarcane ; and

(ii) when the average price per ton of white sugar as determined and notified in the manner explained below exceeds Rs. 320 an amount calculated at 9·6 pies for each ton of foreign varieties of sugarcane and 8·6 pies for each ton of local varieties of sugarcane for every rupee by which the average price of white sugar is in excess of Rs. 320 shall be fully paid in addition to the minimum price specified in clause (i) in respect of every ton of foreign varieties of sugarcane or local varieties of sugarcane, as the case may be, purchased not later than the 15th June 1943 for use in a factory.

2. The payments to be made on every ton of foreign varieties of sugarcane and local varieties of sugarcane shall be as detailed in columns (2) and (3) respectively of the schedule below for the average price per ton of white sugar specified in column (1) of the said schedule.

Explanation.—(1) The minimum price specified is for delivery of sugarcane at the factory.

(2) The average price of white sugar shall be the average ex-factory price realized for one ton of white sugar excluding excise duty and sales tax, but including commission to selling agents during the period commencing on and from the 1st December 1942 till 15th June 1943.

(3) The ex-factory price shall be the price of white sugar, packed in accordance with the usual market practice and loaded at the buyers' option, on to buyers' carts or lorries, or into railway wagons at the railway station or siding generally used by the producer, all incidental charges including those for siding and forwarding being on account of the producer.

(4) The average price of white sugar shall be determined and published by the Director of Industries and Commerce under his authority at the office of the Tahsildar, Hospet.

SCHEDULE.

Price per ton of white sugar excluding excise duty and sales tax but including commission to selling agents.	Foreign varieties (all Coimbatore varieties such as Co. 290, 413, 281, 419, etc., and introduced varieties like POJ 2878, Fiji B, etc.)	Local varieties (Bilai Kabbu and Hottai Kabbu).
(1)	(2)	(3)
RS.	RS. A. P.	RS. A. P.
320 and below ..	16 0 0·0	15 6 0·0
321	16 0 9·6	15 6 8·6
322	16 1 7·2	15 7 5·2
323	16 2 4·8	15 8 1·8
324	16 3 2·4	15 8 10·4
325 .. .	16 4 0·0	15 9 7·0
326	16 4 9·6	15 10 3·6
327	16 5 7·2	15 11 0·2
328	16 6 4·8	15 11 8·8
329	16 7 2·4	15 12 5·4
330	16 8 0·0	15 13 2·0
331	16 8 9·6	15 13 10·6
332	16 9 7·2	15 14 7·2
333	16 10 4·8	15 15 3·8
334	16 11 2·4	16 0 0·4
335 .. .	16 12 0·0	16 0 9·0
336	16 12 9·6	16 1 5·6
337	16 13 7·2	16 2 2·2
338	16 14 4·8	16 2 10·8
339	16 15 2·4	16 3 7·4
340	17 0 0·0	16 4 4·0
	and so on.	and so on.

Dev. Dept.

Memo. No. 3163 A/43-2 13.2.43

3163

Subject:- Acts & Rules - Sugarcane Act - Hospet controlled area - Fixation of prices of Sugarcane 1942-43 season - Notification - Errata - issued.

Ref. 87 - 1Bc/43(S)

Read again:- G.O. No. M. 41 (IMS) Dev. Dt. 18.1.43.

The following errata will be published in the Fort St. George Gazette:-

Errata:

(1) In clause (i) of the Development department notification No. 27 published at pages 63-64 of Part I of the Fort St. George Gazette dated 26-1-1943, the brackets and words "(all varieties)" shall be omitted.

(2) In the Schedule to the said notification for the figure '440' in Column (1), the figure '340' shall be substituted.

8.6/2/43

To the D.D.
To the D. of Fe.
To the S. of P.
Copy to the R.S.
Copy to the Bd. of Rev.
To the Collr. Bellary.

Note: Item (1) of the draft. The term 'all varieties' is not of place when different basic minimum prices are fixed for the foreign and local varieties of canes.

Item (2) of the draft is in rectification of an error.

Legal may see & before issue.

8.6/2/43

Legal

ASSISTANT SECRETARY
No. 945
9-FEB 1943 AS II
LEGAL DEPARTMENT

3163 A/43-1

8/2/43

Close

4 96/

Legal

Seen in Legal.
Mall
10/2/43 S

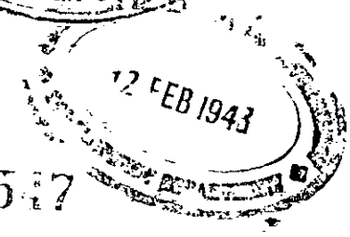
Legal no. 945-1
10.2.43

Dev

Development Dept

Has draft Cable re. Wages been
12/2/43

P. 13/2/43



35:7

C.F. 32 (a).

99

Department

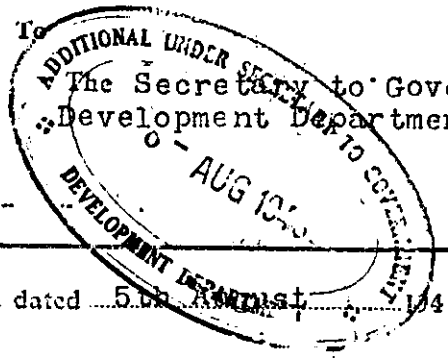
Received Registered 22079

From (Name) A.Khaleeli,Esq., I.C.S.,

Designation Director of Industries & Commerce,

Station Madras.

To The Secretary to Government, Development Department, Madras.



Enclosures:

No. 228-A/43. dated 5th August 1943

Sir,

Sub: Prices - Sugarcane - Hospet taluk - Fixation.-

HEG-90 above

In G.O.No.41 Ms., Development, dated 18th January 1943, I was asked to determine the average price of white sugar produced in the India Sugars and Refineries Ltd., Hospet on the lines specified therein. I arranged to obtain an audited statement, certified by Messrs. Fraser and Ross, showing the weekly sales of white sugar by the India Sugars and Refineries Ltd., Hospet, during the period from 1-12-1942 to 15-6-1943. A copy of the statement is enclosed. Certain particulars were called for from the Tahsildar, Hospet to elucidate the above statement and a copy of the Tahsildar's letter is attached with its enclosures. It will be seen that whereas the Government contemplated exclusion from the average price, of the excise duty and the sales tax but inclusion in it of commission to selling agents in the audited statement, the

p.t.o.

average price has been calculated after excluding the excise duty and interest but including commission and sales tax. The last item, sales tax, has, it is explained by the auditors, been recovered from the dealers. The Tahsildar has explained the circumstances under which interest for the cash credit account had to be brough into the sales account and why it should be admitted. In the circumstances reported by the Tahsildar, I can see no objection to accepting the figure of Rs.336-10-8 as the average price per ton of white sugar. Before I ask the Tahsildar to publish this price at his office, I shall be glad to know whether, having regard to the facts reported by the Tahsildar and in view of the fact that the price of sugar is now under control Government propose to modify the orders passed in G.O.No.41 Ms., dated 18th January 1943. I would invite attention in this connection to their orders in G.O.No.357, dated 20th March 1943.

pr.6-8.

Director of Industries & Commerce

Copy of L.Dis.No.1011/43, dated 17-7-43 from the Tahsildar, Hospet to the Director of Industries, Madras, through the Collector, Bellary.

---x---

Sugarcane - Prices - Hospet Taluk - Fixation -
Your letter No.228-A/43 dated 2-7-43.
Collector's Ref.2635/43-A6 dated 13-7-43.

--x--z--x--

I checked the accounts of the India Sugar and Refineries Limited, Hospet on 16-7-43. The total production of sugar from 1st December 1942 to 15th June 1943 is 26994 bags of 26994 tons. The total sales during this period is 10353 bags or 10353 tons. The reason why the factory could not sell the entire quantity produced by 15th June 1943, is this. In Board's reference No.1872-C/42 (C.S.) dated 8-9-42 a zonal scheme has been formulated. Copies of the Board's reference are enclosed. According to this scheme the sales by the factory have been spread over the period from February to December and the quantity to be sold during each month has been fixed. On account of this restriction in sales and also on account of fixing monthly quotas the factory could not sell away the entire quantity of sugar produced during the season by 15-6-43. The factory was able to sell the entire production of the previous season by 15-6-42 because there were then no restrictions like those existing now.

2. Information on the pointes mentioned in para 2 of your letter is given below seriatum.

(a) 26994 bags of 2699.4 tons.
(b) Opening balance '42 of stock on 16-6-43: 16641 bags or 1664.1 tons.
Sales from 16-6-43 to 15-7-43 (closing) 2691 bags or 296.1 tons.
(c) Average price fetched prior to 15-6-43: Rs,40-5-6- per bag.
Average price fetched after 15-6-43: Rs,41-5-6- per bag.
(d) Opening balance of stock on 16-7-43: 13680 bags or 1368 tons.
(e) As suggested in Board's L.Dis.1961-C-43(C.S.) dated 13th March 1943 the factory has pledged its stocks with the Imperial Bank, Hospet. The Bank has furnished to the factory the interest Rs,1233-15-0 debited to the factory's cash credit account. A copy of the bank's letter dated 22-6-43 to the factory is enclosed. Since the bank has certified the interest on cash credit amount it should be deemed that the interest is admissable.

Copy of letter of Imperial Bank of India, Bellary dated, 22nd June 1943 to the India Sugars & Refineries Ltd., Ltd., Hospet.

With reference to your letter No.3993 of the 20th instant I append below a statement of interest debited to your cash Credit account.

March	1943	Rs.310-11-0
April	1943	444-14-0
May	1943	443- 7-0
June 1943 upto 15th to be debited on 30-6-43.		34-15-0
		1233-15-0

---x---

Copy of Board's reference No.1872-C/42(C.S.) dated 19-1-43.

CIVIL SUPPLIES - SUGAR - Distribution of Sugar produced by sugar factories in the Province - Zoning of areas.

The estimated production of sugar during 1943 by sugar factories in this province is about 40,000 tons which is not sufficient to meet even half the normal requirements of the province. The balance used to be imported from North India and elsewhere. The sugar controller for India has however provisionally fixed the consumption quota of this province at 60,000 tons for the year commencing from 1-12-1942 and proposes to arrange for a supply of only 20,000 tons from North India. It is, therefore, necessary to conserve the local supplies and strictly to regulate the distribution of the entire stocks so that all markets in this province may get a fair share of the available supply.

(1) In exercise of the powers conferred in clause 7 (1) and (II) of the Sugar Control Order, 1942 delegated to the Commissioner of Civil Supplies, Madras, by the Sugar Controller for India is Notification No.I.SC (2)/42 dated 10-8-1942 the Commissioner hereby notified that each factory should sell only in the districts or markets specified below:---

This allocation will be subject to alteration or modification as and when necessary.

(2) The scheme will come into force immediately.

(3) You should deliver not more than the monthly total specified under item (1) above in the Districts or markets allocated to you.

(4) In accordance with the Sugar Control Order, you should sell

you should sell your production only to recognised dealers, who will act as your selling agents. It is preferable that each factory should have only one such selling agent.

(5) Your Selling Agent should sell your sugar only to wholesale licensed under the Madras Wholesale Dealers Licensing Order. If you (or your selling agent) have not a list of all the licensed dealers in the districts in which you sell, your selling agent should start selling to dealers' who are known to have a wholesale sugar dealer's license and should at once apply to the Collector of the district concerned for a list of wholesale dealers to be supplied, On receipt of the list from the Collector your selling agent will advice the Collector of the district or districts in which he is selling, the quantity he proposed to sell to each licensed dealer.

If you, (or your selling agent) have (has) previously sold to licensed wholesale dealers in the district or districts allocated to you and do not need any lists of dealers from the Collector, You (or your selling agent) should start selling and should advise the Collector of the district or districts allocated to you the names of the dealers and the quantitities it is proposed to sell to each dealer monthly within the limit of the figures shown in column (1) statement. Subsequent alterations to this list either in name or in quantity should be advised to the Collector of your district or districts.

Factories must see that the districts or markets allocated to them are stocked with sugar, receive supplies regularly and that the distribution is carried out correctly.

(Note. Quantitities already supplied to the markets or districts specified should also be taken into consideration before further quantities are sold.)

(6) You will be responsible for seeing that sugar is sold by your selling agents, to licensed wholesale dealers only at the controlled rate.

(7) The price of sugar sold by selling agents and purchased by wholesale dealers licensed under the Madras Sugar Licensing Order shall always be the ex-factory controlled price for the respective quality as notified by the Sugar Controller plus Madras Sales Tax.

(Note. Exemptions already ranted will not hold good any longer. The selling agents should apply a fresh and take specific orders from the Commissioner of/Supplies).

/Civil

(8) A selling agent in the area in which he acts in that capacity cannot also be a licensed wholesale dealer, unless specially exempted by the Commisssioner of Civil Supplies and must sell all your production to licensed wholesale dealers in the areas specified.

(9) You (or your selling agent) must not sell outside the areas specified for you without the permission of the Commissioner of Civil Supplies.

(10) Previous contracts will all be subject to these orders.

(11) You must on receipt of these instructions and before the 5th of the following months submit a return to the Commissioner of Civil Supplies, Madras, showing in the first return the seti-sequent month returns the following information.

(a) Total estimated production during the season including quantity already produced ..... tons.
(b) Production to date.....tons.
(c) Balance to be produced.

(Note (a) should be altered if necessary as the season progresses If the original production as estimated is expected to be too low or high).

STATEMENT 'A'

Name of the Sugar Factory.	Sales Districts.	Period.	Selling Area.	Tons.
...	...	...	....	...
13. India Sugars & Refineries Ltd. Hospet.	Bellary	Dec. 42	Bellary Dt.	100
	Anantapur	Nov. 43	Anantapur Dt.	103
	Kurnool	Nov. 43	Kurnool Dt. as far east of Nandyal	50
	Sandur			5
	Banganapalle			2
		260 X 12 :: 3120		260

101

Copy of the Office of the Board of Revenue, (Civil Supplies), Madras No.783-C/43 (CS) dated 8-2-43.

In partial modification of the instructions contained in Board's reference cited above, the Commissioner hereby directs that the sugar factories in the Provincie should sell sugar only in the districts and selling areas and to the monthly amounts specified in State 'A' attached.

STATEMENT 'A'

Name of the Sugar Eactory.	Sales Districts.	Period.	Selling areas.	Quantity per month & No. of months.	Total tons.
10. Hospect.	Kurnool	Feby. to Dec.	Kurnool dt. including Banganapalle 3½ per month)	90 x 11 =	990
	Anantapur	-do-	Anantapur	100 x 11 =	1100
	Beklary	-do-	Bellary Sandur (1¼0 per month.	100 x 11 =	1100
					3190

Copy of Board of Revenue, L.Dis.1961/43 (C.S.), dated 13th March 1943.

In reply to your letter cited above, I am to inform you that the Board has no objection to your selling the entire production of the current season to your agent's Mess. Volkart Bros. will in advance of the months notified in the zonal scheme drawn up by the Commissioner in his reference 783-C/43 dated 8-2-43 on condition that they should release only such quantities as are necessary according to programme. If this is not acceptable, the Board can alternatively suggests your pledging the stocks with some bank to raise the amount and to determine the bonus to be declared.

As the price of of sugar is now fixed you can know the ex-factory price and the freight difference which can be added to it. You can them calculate the loss to which your factory will put on account of the interest and storage charges by graduated release of stocks and take than into account in the figures you supply to Government on the baisis on which the bonus to the cane growers will be calculated.

Dia of specimen (d) = ...

The above should be noted before experiment

New length of specimen / Reading taken by Extensometer } l_1

Reading of wt P } P lbs

$$\text{Stress} = \frac{P}{\pi/4\, d^2}$$

$$\text{Strain} = \frac{l_1 - l}{l}$$

$$E = \text{young's Modulus} = \frac{P}{\pi/4\, d^2} \times \frac{l}{l_1 - l}$$

Hence young's Modulus can be calculated by taking readings

The India Sugars and Refineries, Ltd.,
Statement showing the weekly sales of white sugar for the period from 1-12-42 to 15-6-43.

Week ending.	Quantity sold in bags.	Value realised at Hospet.	Less Excise Duty at Rs.6/- per bag.	Net amount realised Ex-Factory.
		Rs. As. Ps.	Rs. As. Ps.	Rs. As. P.
From 1st December 1942 to 6th February 1943 no sales.				
7--2-43	120	4,605-0-0	720-0-0	3,885 0 0
14-2-43	415	15,925-10-0	2,490-0-0	13,435 10 0
21-2-43	575	22,065-10-0	3,450-0-0	18,615 10 0
28-2-43	347	13,316- 2-0	2,082-0-0	11,234 2 0
7-3-43	439	16,825-5-0	2,634-0-0	14,191 5 0
14-3-43	730	27,972-15-6	4,380-0-0	23,592-15-6
21-3-43	903	34,626-6-6	5,418-0-0	29,208 6 6
28-3-43	778	29,888-14-0	4,668-0-0	25,220 14 0
4-4-43	891	34,249-10-0	5,346-0-0	28,903-10-0
11-4-43	289	11,241-12-0	1,734-0-0	9,507-12-0
18-4-43	370	15,277-10-6	2,220-0-0	13,057-10-6
25-4-43	926	38,190-9-6	5,556-0-0	32,634-9-6
2-5-43	295	12,228-10-9	1,770-0-0	10,458-10-9
9-5-43	212	8,757-5-0	1,272-0-0	7,485-5-0
16-5-43	278	11,521-15-6	1,668-0-0	9,853-15-6
23-5-43	889	36,850-13-3	5,334-0-0	31,516-13-3
30-5-43	907	37,441-3-9	5,442-0-0	31,999-3-9
6-6-43	316	13,037-11-0	1,896-0-0	11,141-11-0
13-6-43	469	19,440-0-3	2,814-0-0	16,626-0-3
14-6-43				
15-6-43	204	8,456-3-0	1,224-0-0	7,232-3-0
	10,353	4,11,919-7-6	62,118-0-0	3,49,801-7-6
Less Sales Tax not recovered on sales to the staff (¼% on Rs.3,540-9-6)			8-13-7	
Interest paid to the Bank on Cash credit account			1,233-15-0	1,242-12-7
				3,48,558-10-11

p.t.o.

104

Madras, 25th June 1943.

We certify that we have examined the Sales Day Book of the India Sugars and Refineries, Ltd., Hospet, for the period from 1st December 1942 to 15th June 1943 with the relative copies of invoices and prepared the above Statement therefrom. The average price realised per bag, excluding Excise Duty and interest but including commission and Sales Tax, the latter having been recovered from the Dealers, is Rs.33-10-8 or Rs.336-10-8 per ton of sugar.

x x x x x

Chartered Accountants,
Registered Accountants

Secret

Dear Dr/M 105 9/9

Memo. no. 22079 AII/43-1 dated 23/8/43.

Sub:- Acts & Rules - Indian Sugarcane Act
Hospet Controlled area - Price of Sugar
Fixation.

p1-2 ref. Reb:- Letter from the D.I.C. no. 228-A/43. dated 5/8/1943.

The Govt. do not consider it necessary to
1 ref. Govt. (R) modify the orders issued in G.O. no. 41(AA). Dev & Ind. dated 18/1/43.
Neither the factory nor the sugarcane grower will be the loser by adhering to the statutory basis of calculation ~~i.e. the exclusion of 'interest' and inclusion of 'Sales tax' more or less offset each other~~. The D.I.C is therefore requested to have the average price recalculated on the basis of explanation (2) to the notification appended to G.O. no. 41(AA) Dev & Ind dated 18/1/43. ~~as suggested in the D.I.C.~~ ~~R 20.1.43~~ ~~the~~ ~~the~~ 24/8/43 ~~R 23.8.43~~

Ack 24/8/43

10. 106

Government of Madras

PUBLIC (POLITICAL) DEPARTMENT

G.O. No. 24, 6th January 1939

Indian States—Banganapalle and Sandur—Political charge—Transferred to Mysore Residency.

READ—the following paper :—

Letter from the Resident for the Madras States, dated 1st January 1939, No. P1./39.

[Redistribution of political charges in the Madras States Agency.]

I have the honour to inform you that His Excellency the Crown Representative has decided to transfer, with effect from the 1st January 1939, the political charge of the Banganapalle and Sandur States from this Residency to the Mysore Residency at Bangalore, and I have accordingly handed over charge this day to the Hon'ble Lieut.-Col. John de la Hay Gordon, C.I.E., O.B.E., M.C., Resident in Mysore.

2. All further communications concerning the Banganapalle and Sandur States may therefore be addressed to the Hon'ble the Resident in Mysore, at Bangalore.

Order—No. 24, Public (Political), dated 6th January 1939.

Communicated for information.

(By order of His Excellency the Governor)

G. T.
Chief Secretary.

To the Departments of the Secretariat (all sections).
,, all Heads of Departments, including Collectors and District Judges.
,, the Secretary to the Governor.

107 17

Ms 29323 A2/43

Department | Received: Registered

From (Name) A. Khaleeli, Esq., I.C.S., | To

Designation Director of Industries & Commerce, | The Secretary to Government, Development Department, Fort St. George, Madras.

Station Chepauk, Madras

ADDITIONAL ASSISTANT SECRETARY TO GOVERNMENT DEVELOPMENT DEPARTMENT
23 SEP 1943

Enclosures: No. 228-A/43-09 dated 22nd September 1943

Sir,

Sub Prices of Sugarcane - Hospet controlled area - Fixation.

Ref Government Memorandum No. 22079-A.II/43-1, dated 23rd August 1943.

105 of 7(B)

G.O. No. 41(M) Dev. 18-1-43

92 of 7(B)

In pursuance of the Memo. cited above, I asked the India Sugars & Refineries Ltd., Hospet to have the audited statement revised in strict conformity with explanation (2) of the Government Notification appended to G.O. No. 41. M., Development, dated 18th January, 1943. A copy of their reply is enclosed. In the circumstances explained in their letter, I request orders whether the average price of white sugar may be fixed at Rs. 336-10-8 per ton vide my letter No. 228-A/43, dated 5th August 1943.

92 of 7(B)

97-98 of 7(B)

pr. 22-9.

for Director of Industries & Commerce.

p.t.o.

Copyof letter No.4994, dated 11th September 1943 from the India Sugars & Refineries Ltd., Hospet.-

--

We are in due receipt of your letter No.228-A/43 of 4th instant advising us to resubmit the audited statement of Sales of sugar in conformity with the Government Order.

In reply we write to explain the reasons for submitting the above statement in a form other than the one required as per G.O. 1487-92 dt 16

Sales Tax:- This we were excluding from the Ex-factory prices in the past years because we were not collecting this tax from the sugar dealers and as such the tax was being paid by us. This year the Sugar Controller for India has permitted to add the "Sales Tax" to the ex-factory price (vide. his Memorandum dated 1-2-1943) copy enclosed. So, we are now collecting the "Sales Tax" from the dealers and hence we have not excluded the same this year from the ex-factory price in the audited statement submitted by us.

Interest on Cash Credit:- Unlike past years this year the Government have restricted the sale of sugar stocks in particular quantity, to particular dealers and markets. This has put us into much financial difficulties as we could not realise our money on the stocks early to meet our payments. Therefore we represented our position to the Commissioner, Civil Supplies, Madras. To which he has advised us in his Ref. No.L.Dis.1961-C/43 dated 13th March 1943 - copy enclosed, either to sell the entire production to our selling agents or in the alternative pledge our stocks with some Bank to raise the amount and take into account in the figures submitted by us to the Government for calculating the bonus to the cane growers, the loss we will be put to on account of interest and storage charges by graduated release of stocks. So, we have excluded "Interest" in our statement as we have pledged our stocks with the Imperial Bank of India, Bellary.

We hope from our above explanation you will find our audited statement submitted to you is in order.

--

Revised Memo dated 30/9/43

Dept of Deputy Dep

21

Memo No 29323 A II/43-1 dt 30-9-43

Sub: Acts and Rules - Indian Sugar Cane Act - Notified Controlled area - Price of Sugar - fixation.

Ref: Letter from the D I & C no 228 A/43 dt 22-9-43.

The D I and C is informed that the Govt see no reason to reconsider their previous decision. He is therefore requested to have the average price re-calculated in strict accordance with explanation (2) to the notification appended to G.O no. 41 (M) Dept dt 18-1-43

LP 28/9/43 LP 28/9/43

30/9/43

Ref cf.

Amplify

Draft 92 of 29 (B) LP 1/X/43

To The D I & C

(B)

Development Department.

Acts and Rules - Sugarcane Act - Hospet controlled area - Fixation of cane prices - 1942 -43 season.

C.No.24450A/42-1 From the D.A., post copy of T.M. dated 5-10-1942.
Memo to the D.A. and D.I. & C. No.24450A/42-1 dated 8.10.1942.
Letter from the D.A. C.No.1362/42 dated 28.10.1942.
Letter from the D.I. & C. No. 4717A/42 dated 29.10.1942.
Memo to the D.A. and D.I.& C. No.24450A/42-2 dated 5.11.1942.
Telegram from the D.A. dated 13.11.1942.
Telegram from the President, Ryots Association dated 12.11.1942.
Letter from the D.I. & C. No.4030A/42 dated 13.11.1942.
Letter from the D.A. No. C. .1362/42 dated 13.11.1942.
Petition from the President, Ryots Association, Hospet, dated 12.11.1942.

In pursuance of sub-section (3) of section 3 of the Sugarcane Act, 1934, the Govt. fixed the minimum price of sugarcane intended for use in a factory in the Hospet controlled area of the Hospet revenue taluk of the Bellary district for the 1941-42 season as detailed below:-

(1) Rs.8/- per ton of sugarcane as the basic minimum price

( ) Rs.8/- per ton of sugarcane when the average price per ton of white sugar is below Rs.180/= per ton.

(3) Rs.8-1-7.2 per ton of sugarcane when the average price ~~price~~ per ton of white sugar is Rs.180; and

(4) when the average price per ton of white sugar exceeds Rs 180 an amount calculated at 9.6 pies for each ton of foreign varieties of canes and 8.6 pies for each ton of local canes for every rupee by which the average price of white sugar was in excess of Rs.180/- was to be paid in addition to the minimum price specified in item (3) above.

2. It was also ordered that the basic price for all sugarcane purchased should be paid within fifteen days after the completion of delivery of the sugarcane in the factory and that any excess due over and above the basic minimum price should be paid not later than 30.6.1942.

3. The D.A., the D.I. & C. and the Ryots' Association, Hospet have reported that for the 1942-43 season also it is necessary to fix the minimum price of sugarcane under the Sugarcane Act. The D.A. was asked to submit in consultation with the D.I. & C. proposals for fixing the price. But the D.A. and D.I. & C. have submitted separate proposals.

4. The D.A. has proposed a cane price of Rs.10/- per ton for a sugar price of Rs.240/- (incl. in excise duty) or Rs. 90 excluding excise duty with an increase of 9.6 pies for every

rupee increase in the price of sugar over Rs.260/- According to the rates adopted last year, the price for a ton of sugarcane if the average price of sugar is Rs.200 excluding excise duty, will be only Rs. 9-1-7-2 for foreign varieties while the D.A. has now suggested Rs.10/- as the basic price for a sugar price of Rs.200/- excluding excise duty. The increase of one rupee is stated to be due to high prices for paddy.

5. The D.I. & C. has proposed for adoption the rates fixed for the 1941-42 season with the modification that the basic minimum price per ton of canes may be raised from Rs.8 to Rs.9/- as the sugar price is not likely to be altered to such an extent that the corresponding price of sugarcane will be less than Rs.11 per ton and as it will enable the ryots to realise a greater proportion, nearly 75%, of the value of the cane on its delivery at the factory. According to the D.I. & C's proposal also, a price of Rs. 10-1-7-2 per ton of cane will be realised for a sugar price of Rs.200/- excluding excise duty. The difference between the proposa of the D.A. and the D.I. & C. is that while the former has proposed a basic price of Rs.10/- per ton for a sugar price of Rs.200 per ton, the latter has proposed a basic price of Rs.9/- per ton for a sugar price of Rs.180/-

6. The President, Ryots Associatipn has proposed in his telegram dated 12.1142 a basic price of Rs.13/- per ton of canes for a sugar price of Rs.220/- (excluding excise duty) owing to the rising cost of cultivation, control of the price of sugar which prevents the realisation of the natural price for cane, prohibition of export of jaggery and now prohibition of the import of cane from outside the Presidency. The Ryots' Association, Kamalapur has however proposed a basic price of Rs.12/- per ton of cane for a sugar price of Rs.180/- with an increase of 9.6 pies for every rupee by which the price of sugar is in excess of Rs.180/- or a flat rate of Rs.16/- per ton of cane.

7. Different rates were adopted last year in regard to the rates of increase to be paid for the foreign varieties of canes on the one hand and the local varieties on the other, over and above Rs.8-1-7.2 per ton. Neither the D.A. nor the D.I. & C. nor the Ryots Association have suggested any such differential rates for this year.

8. The questions for consideration are:-

(1) whether the Govt. will fix a minimum price for the purchase in the Hospet controlled area of sugarcane intended for use in a factory;

(2) if so, whether the basic price of cane will be fixed,

(a) at Rs.9/- per ton for a sugar price of Rs.180 per ton (excluding excise duty and sales tax but including commission to selling agents) as proposed by the D.I. & C.;

or (b) at Rs.10/- per ton for a sugar price of Rs.200/- per ton excluding excise duty and sales tax but including commission to selling agents;

or (c) at Rs.12/- per ton for a sugar price of Rs.180/- excluding excise duty and sales tax but including commission to selling agents as proposed by the Ryots Assn.;

or (d) at Rs.13/- per ton for a sugar price of Rs.220/- as proposed by the President of the Ryots.Assn. in his telegram d/ 19.12.42;

(3) whether a uniform rate of 9.6 ~~pies~~ pies will be adopted for the increase in the price per ton of cane for every rupee rise in the average price of sugar over and above Rs.180/- or Rs.200 as the case may be

(4) whether the method prescribed last year for the calculation of the average price of white sugar will be adopted this year also.

The average price was defined as the average price realised on rails at Hospet for one ton of white sugar excluding excise duty and sales tax but including commission to selling agents during the period from 1.12.41 to 15.6.42. But the Sugar Controller has defined the term 'ex-factory price' as the " price of sugar, packed in accordance with the usual market practice, and loaded at the buyers option, on to buyers ~~carts~~ carts or lorries, or into railway wagons at the railway station or siding generally used by the producer, all incidental charges, including those for siding and forwarding, being on account of the producer". Under this definition the ex-factory price or the price realised on rails will be the same so long as the Sugar Controller's definition remains in force unaltered. It is for consideration whether the ex-factory price will also be taken into account so long as the term as defined by the Sugar Controller denotes also the price realised in ~~rails~~ rails, for calculation of the average price

(5) whether the D.T. & C. will be asked to determine and notify the average prices as was done last year.

4

9. If the price is to be controlled it may be in force for the period from 1.1.42 to 15.6.1943. / S. Ally Correction of period typed last year?

10. It is for orders whether any rule for regulating payment for sugarcane similar to that contained in Notification No.609 on 24.4 of (S) will be issued this year also. / Payment. S. Ally

The Ryots' Association has proposed that import of cane from Wanirabad in Nizam's Province, into the Hospet controlled area should be prohibited. This proposal was raised last year and considered unnecessary to introduce any such restriction. For orders whether the proposal will be pursued. / Unnecessary. S. Ally

12. The Ryots' Association has also suggested that the Govt. should run the factory in case the factory authroties refuse to give reasonable price to the cane growers and decide to close the factory. It is submitted that his question does not arise at this stage. / Ally

13. After orders are passed on the several points mentioned in paragraphs 8,9 and 10, a draft notification will be submitted for approval.

19/11/42
19/11/42

To ensure that the growers of sugar cane receive a fair deal, it is necessary to control prices in the Hospet area. A higher basic price is necessary to induce the growers to grow sugarcane instead of paddy. I would accept the D.A.'s proposals.

S. 21/11/42

Secretary

I agree. The basic price of Rs 10 (which will be paid to the ryots on delivery of the cane) is not too high. Rs 10 at a sugar price of Rs 200 (excluding excise duty) + 9.6 pies for every additional rupee in the sugar price would make Rs 15-13-0 for a sugar price of Rs 378 which we have suggested to G.o.g.d. We contemplated that at that price of sugar, the ryot would get about Rs 16 per ton of cane. We do not know yet the ex-factory price which the G.o.g.d. will fix,

A

24450A.

and therefore we may adopt the sliding scale now proposed, which will apply to any factory price which the G. of I may prescribe, and issue the notifn. which will take effect Jan 1st December as in last year.

CAH
28/11/42

23/11/42
under Sec.
26.11.42.

27/11/42

25.11.42

27/11/42

P.S.

A draft memo, with draft preliminary notifications, is submitted for approval.

2. In view of the urgency, the notifications may perhaps be got scrutinised later on but prior to their confirmation. Legal Dept. is at Madras.

3. The notifications are to be published in an extra ordinary issue of the Fort St. George gazette. E dn & P.H. may see proof issue.

27/11/42
28/11/42

28/11/42

E.P.H.

E.P.H. dept
(F)

ASST SECRETARY TO GOVT
28 NOV 1942
EMBARGO AND PUBLIC HEALTH DEPT.

93625
12.11.42

Perused and returned to the Development Dept. An instruction has been issued to the S.G.P. asking him to issue the notifications in the Gazettes as required.

28884

28/11/42

Development

no. 93625(3)/42-1PH
28.11.42

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Development Deptt.

The G.O. and instructions may be seen

Below.

28/XI/42

28/11/42

[Issued as memo. No 24450A/42-4 dt 28.11.1942], the letter from the D.A., No. C. 2. 1362-42 dt 20.11.1942. f/n 29-30 c.f.

The notifications on pages 37-42 c.f. have been published in an exra-ordinary issue of the F.S.C. Gazette on 30-11-1942- pages 5- 6 c.f.

2. Extract of notes and orders on page 30 c.f.

[The main file on the subject has been submitted to Secretary. This may be added to it on receipt.]

C.P.M.26-11-1942

The D.A.'s recommendation must be ~~examin~~ urgently examined/and orders taken in circulation.

T.S. 26-11-1942.

Submitted. The recommendation of the D.A. is also one of the requests of the Ryots' Association and it has been noted on in the main file. For orders whether it should be noted on in this file also.

C.P.M.
27-11-1942.

A suggestion is now made that wagons for the import of sugarcane should not be made available. Can this be done? We have no control over the other side of the Tungabhadra which is all Nizam's terfitory.

T.S.
28-11-1942.

Under the Sugarcane Act, the Provincial Government have no power to impose any restriction on the purchase of cane by the Company from outside the controlled area. The suggestion that the India Sugars and Refineries Ltd., Hospet should be prohibited

from importing cane from outside the controlled area was made by the D.A. last year but it was considered unnecessary to impose any such restriction. This year the Ryots' Association also the D.A. raised the same question and it has again been considered unnecessary. This is in regard to the statutory prohibition of the import of cane from outside the controlled area.

2. The D.A. has now suggested that the import of canes can be stopped if no wagons are made available for the transport of cane from the other side of the Tungabhadra river. The questions for consideration are

(1) whether the suggestion will be accepted; and if so,

(2) how the suggestion can be given effect to.

Item (1) above:- This is a question of policy. For orders whether the suggestion will be accepted.

Item (2) above:. The Nizam's Government will have to be addressed in the matter. It is however very doubtful whether the Government will agree to the suggestion especially as it will affect adversely the cane growers of that State. Further, the Managing Agent of the India Sugars and Refineries Ltd., Hospet own lands in Munirabad on the other side of the Tungabhadra river and the Company has entered into an agreement with him to purchase the cane grown on his lands. If facilities of railway transport are denied, the cane grower will naturally take to other modes of trasnport. It is for consideratio whether the Nizam's Government will be addressed,

It is hardly likely that the Nizam's Govt will agree to a proposal which is manifestly prejudicial to the interests of the Sugar Cane growers in their dominions. No action is necessary. For may kindly see.

I agree. We apprehend that with the low ex-factory prices of sugar fixed by the G. of I, our

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factories may not get sufficient quantities of cane. We cannot do anything which will reduce the supply of cane. We want maximum production of sugar and for this, all the cane that factories can command.

Chs
8/1/43

From the Managing Agent, The India Sugars and Refineries Ltd., Ref. No.732, dated 7-12-1942. p.41-51 c.f.
From the President, Ryots' Association, Hospet, dated 28-12-42. p.53 c.f.
From the D.A., C.2. No.1362/42, dated 30-12-42. pp.55-56 c.f.
Extract from the proceedings of the Second Meeting of the Committee for Sugar Production, held on 28-12-1942. p.63 c.f.
Telegram from the D.A., dated 4-1-1943. pp.65-67 c.f.
Letter from the D.A., No.C.2.1362/42, dated 5-1-1943. pp.73-75 c.f.
D.O. from Under Secretary, Development Department, No.338-J/43-1, dated 8-1-1943. pp.77-78 c.f.
Telegram from the Madras Office, dated 10-1-1943. p.83 c.f.

Attention is invited to the preliminary notifications on pp.45-46 c.f., publishing for criticism the minimum price to be fixed for sugarcane in the Hospet controlled area of the Bellary District. The India Sugars and Refineries Ltd., Hospet has agreed para 8 on p.51 c.f. to the prices and to pay the bonus amount (deferred payment) also along with the basic price. The Ryots' Association, Hospet, has asked for a flat rate of Rs.20/- per ton. The Hospet Sugarcane Growers' Co-operative Society has proposed a minimum price of Rs.12/- per ton and that the bonus also should be made payable before 31.3.43, or a flat rate of Rs.15/- per ton. For the reasons stated in para 3 on p.56 c.f. the D.A. originally proposed a minimum price of Rs.13/- per ton on the assumption that the sugar price will not go below Rs.320/- per ton. In his telegram dated 4.1.43 - pp.66-67 c.f. - and in item (3) of para 4 on p.75 c.f. the D.A. has proposed a basic price of Rs.16/- per ton for foreign varieties of canes and Rs.15/6/- per ton for local varieties for a sugar price of Rs.380/- per ton including excise duty or Rs.320/- excluding excise duty with provision for payment of deferred bonus at the rate of 9.6 pies and 8.6 pies per ton of foreign and local varieties of canes respectively, for every Rupee by which the average price of white sugar is in excess of Rs.320/- per ton excluding excise duty. At the second Meeting of the of the Committee for sugar production held on 22-12-42 the Commissioner of Civil Supplies reported that the Sugar Controller had promised

A memo p.53 c.f.
para 2 on p.58 c.f.
* para 3 on p.58 c.f.
A memo p.75
p.43 c.f.

to allow the cost of freight from North India to be added to the ex-factory price of sugar in the case of all factories in the Province except Parrys and that this concession would allow the factories to pay about 2 annas extra per maund of cane crushed. The Chairman of the Committee has suggested that the factories must be made to pay more in proportion for sugarcane, by Government intervention, if necessary.

Under Secy., Dev. Dept. has proposed that a fixed price of Rs.16 per ton may be fixed and that there seems to be no need for adopting a sliding scale.

2. The questions for consideration are:

(1) the prices to be fixed for foreign and local varieties of cane in the Hospet controlled area for the 1942-43 season.

(2) whether it is necessary to adopt a sliding scale of prices varying with rise in the price of sugar; and

(3) the definition of the term 'average price'.

These are noted on below:

3. Item (1) in paragraph 2 above:-- Attention is invited to item (1) of paragraph 3 on p.74 c.f. The cane growers are already deriving a net return of Rs.21/- by the conversion of ton of cane into jaggery. The Director of Agriculture has proposed a basic price of Rs.16/- per ton for foreign canes and Rs.15-6-0 per ton for local canes for a sugar price of Rs.380/- including excise duty or Rs.320/- per ton excluding excise duty. According to the notification already issued these are the rates for a sugar price of Rs.320/- excluding excise duty. The present price of sugar is about Rs.380/- including excise duty or Rs.320/- excluding excise duty. To attract as much cane to the factory as possible it is for orders whether the basic price will be fixed at Rs.16/- per ton of foreign canes and Rs.15-6-0 per ton of local varieties. Madras Office has wired that the Second Adviser says that there should be no difficulty in fixing the price at Rs.16/- . It is for consideration whether the D.A's. proposal will be accepted.

4. Item (2) in paragraph (2) above:-- It is not known

10 29/

whether the sugar price will remain constant at about Rs.380/- throughout the present season, i.e. till about 30.6;1943. While the inclusion of provision for payment at a sliding scale will benefit the cane grower in case the sugar price rises above Rs.380/-, the non-inclusion will deprive them of a benefit to which they will ordinarily be entitled. The fixing of basic price at Rs.16/- or Rs.15-6-0 as the case may be will secure for the cane growers the payment of a lump sum on delivery of the cane and the provision for payment on a sliding scale ~~to~~ will enable them to get a further payment at the close of the season in case the average ex-factory price goes above Rs. ~~380~~ 320/- per ton excluding excise duty or Rs.380/- per ton including excise duty. For orders whether provision will be made for payment of the deferred bonus on a sliding scale just to provide for an increase in the sugar price over the present rates.

Such a provision is necessary in fairness to the Ryots. We feel that the concession operates only in favour of the Ryots is not a ground for not fixing it. In view of the prevailing prices for jaggery, the further increase of a Rupee appears justified. S

5 ~~(5)~~ Item (3) in paragraph 2 above:- Attention is invited to the portion marked 'A' on p.46 c.f. and to the extract on p.63 c.f. As the sum equivalent to the freight charges from N.India is also to be added to the ex-factory price and as the average price of sugar is to be computed on the average ex-factory price it does not seem necessary to alter the definition. For orders. S.

6 ~~(6)~~ Subject to orders a draft order ~~and~~ with a draft notification is submitted for approval. If approved it may be sent to Legal for scrutiny.

11/1/43

11/1/43.

Legal 11/1/43

Dev. G.O. No. 144 3011/42-5
12.1.43.

with copy of Act

Cases may be taken in O.W. after the file returns from Legal & the Notification comes from Dev.

ASSISTANT SECRETARY
Received on 13 JAN 1943
LEGAL DEPARTMENT.

LEGAL DEPARTMENT.

The draft notification is proposed to be issued in supersession of Development Department Notification No.784, dated 3-11-1941 - see portion side-lined 'A' on page 3 of the draft. In another file, that notification is proposed to be amended with retrospective effect from 3-11-1941. If that notification is to be superseded, the amendment in that file

Madras Hindu Law Text Book ... see ...

cannot be proceeded with. Further that notification fixes the price of sugar-cane purchased on and from 1-12-1941 upto 15-6-1942. and can apply only to sugar-cane purchased during that period. It cannot apply to purchases of sugar-cane made between 1-12-1942 and 15-6-1943 for which the notification in the draft fixes the minimum price. There is therefore no necessity to supersede the notification dated 3-11-1941 and consequently the reference to such supersession in the preamble to the draft notification may be omitted. The necessary alterations have been indicated in red ink on the draft.

Read in Cabinet at 3.30 P.M. on 16.1.43

The other alterations indicated in red ink on the draft notification may also be made.

15 JAN 1943 DEVELOPMENT DEPARTMENT

1153

13/1/43 S

Bar 14/1/43

Dev. Dept.

The draft order may ... as amended

A2 15/1/43

DW by Legal 16/1/43, 16/1/43

16.1.43 Legislative Dept. 18 JAN 1943

Pl. issue - to Whip when Law & Finance met 16/1/43

16.1.43

Pl. issue in M.O.

18/1/43

Madras Office. Please issue the draft order with the Notification in Madras Office Gaz. on return of file from circulation (Dy. Secys. orders)

16/1/43.

C. 18.1.43.

[Issued as G.O. 41 Dev. 18.1.43.]

21/1/43

Subject: Acts and Rules - Determination of | Sugar cane Act - Hospet Controlled area - average price - 1942-43 season.

C.No. 22709 A1/43. Letter from the D. G. of C., No. 228 A/43 dt 5-8-43.

H/f 37-98 Cf In January 1943, the Govt. fixed the minimum price for sugarcane in the Controlled area of the Hospet revenue taluk of the Bellary district at the following rates for the 1942-43 season. (1-12-42 to 15-6-1943)

H: Amf 91 Cf Rs. 16/- per ton of foreign varieties of cane and Rs. 15-6-0 per ton of local varieties of cane if the average price of white sugar is Rs. 320/- or less per ton.

plus as deferred bonus of 9-6 pies for each ton of

Bmf 91 Cf foreign varieties of canes and 8-6 pies for each ton of local varieties of canes for every rupee by which the average price of white sugar is in excess of Rs. 320/- per ton.

The average price was defined as "the average ex-factory

Dmf 91 Cf price realised for one ton of white sugar, excluding excise duty and, sales tax but including commission to selling agents during the period commencing from 1-12-1942 till 15-6-1943." The D.G. &c. was

Amf A on f 92 Cf asked to determine the average price and publish it under his authority at the office of the Tahsildar, Hospet.

The total production of the ✱ India Sugars and

Man f 99 Cf Refineries Ltd., Hospet was 2699.4 tons during 1942-43 season. The total sales from 1-12-42 till 15-6-1943

A on f 103 Cf were was 1035.3 tons. The sales were less as the factory was ordered to spread its sales from till December 1943 under

f 105 Cf the Govt's zonal scheme for the distribution of sugar.

2:16

The company had also to pledge its stocks with the Imperial Bank, Hospet to raise credit & paid an amount of Rs. 1,233-15-0 as interest on cash credit. It recovered the bulk of the sales tax from its dealers. Nm f 99 c/f

Nm f 104 cf

Taking these into account, the auditors of the company's accounts have calculated the average price of white sugar per ton at Rs. 336-10-8 per ton excluding excise duty and interest but including commission to selling agents and sales tax. The D. G. I.C., who is to publish the average price, sees no objection to accepting the price of Rs. 336-10-8 in the circumstances set out in pages 1-2 c/f. 97-98 cf

ff 103-104 cf c/f

But the exclusion of interest and the inclusion of sales tax in the average price are not in accordance with the terms of the statutory notification issued in January last — Explanation (2) on p. 92 c/f [illegible] Gen. No. 41 M Dev. dt (8. 1. 1943) The D. G. I.C. has therefore enquired whether the Govt. propose to amend the notification.

Yn p. 92 cf

The two items to be considered are:-

(i) the exclusion of interest : and

(ii) the inclusion of sales tax in determining the average price.

Item (i) above:- The justification for excluding the interest (Rs. 1,233-15-0) seems to be that the company actually incurred the expenditure and it should therefore be excluded from its receipts and consequently from the average price realised by it. I do not know whether this will be accepted.

Item (ii) above:- The Company has recovered from the dealers the full sales tax payable by it. It is therefore proposed that it should be included in its receipts and consequently in the average price realised by it. For orders whether this will be accepted

If these proposals are accepted, Explanation (2), on page 92 C.I. [of C.O. No. 141 (III) Dev. dt 18.1.1943] will have to be amended before the D.G.T.C. is authorised to publish the average price

For orders.

There seems to be no necessity to amend explanation (2) under clause 2 of the notfn on pp 91-92 of (R) in order to alter the basis for the calculation of the "average price". Neither the factory nor the sugar cane grower will be the loser by adhering to the statutory basis of calculation (for, the exclusion of interest and inclusion of 'sales tax' more or less offset each other). The D.G. may be requested to have the 'average price' recalculated. The exclusion of 'interest' from price realised may create an inconvenient precedent. Frankly

2nd 17/8/43 ASV Lee 19/8/43.

A draft memo. to the D.I.C. is submitted for approval

1100 of 21/8/43 [redacted] as 2nd 23/8/43 Memo to D.I.C. No. 12079 dt 21.8.43

Deptt. Deptt.

Subj. Acts and Rules - Sugarcane Act - Hospet Controlled Area - Fixation of average price - 1942-43 season.

No 29823 A-II/43 dt. letter from the D.I.& C. No. 228-A/43 dt. 22-9-43 ff 1-2 ps

A mention is invited to notes on ff 13-15 ns of Govt No. 41(A) Deptt dt 18-1-43 and to the letter and its enclosure from the D.I. and C. on ff 1-2 cf. ~~It is now for Consideration whether~~ the explanation (2) on f 92 cf of Govt No 41(A) Deptt dt 18-1-43 will be amended so as to exclude interest and to include Sales tax in determining ~~the average price of sugar~~. No new facts have been brought to the notice of Govt. It is for orders whether the ~~Govt may be~~ reasons which induced Govt to come to their decision may be communicated to the D.I.C. and he may be told that the Govt cannot see any reason to reconsider their previous order.

25/9/43

A

25/9/43 The D.I.C. may be informed that the Govt see no reason to reconsider the decision.

27/9/43 Asstt.

28/9/43

A draft memo to the D.I.& C. is submitted for approval. After issue the papers may be stitched with the G.O. at (B)

M. Dt. 5.10.43.

28/9/43

28/9/43

f 109 Post

Issued as Memo No 29323 A-II/43-1 dt 30.9.43.